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2d Session
HOUSE OF REPRESENTATIVES
REPT. 99-733
Part 1

INDIAN YOUTH ALCOHOL AND SUBSTANCE ABUSE PREVENTION ACT

AUGUST 1, 1986.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

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Mr. HAWKINS, from the Committee on Education and Labor, submitted the following

REPORT

[To accompany H.R. 1156 which on February 20, 1985, was referred jointly to the Committee on Interior and Insular Affairs, the Committee on Energy and Commerce and the Committee on Education and Labor]

[Including cost estimate of the Congressional Budget Office]

The Committee on Education and Labor, to whom was referred the bill (H.R. 1156) to coordinate and expand services for the prevention, identification, treatment, and follow-up care of alcohol and drug abuse among Indian youth, and for other purposes, having considered the same, report favorably thereon with an amendment and recommend that the bill as amended do pass.

The amendment is as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Indian Youth Alcohol and Substance Abuse Prevention Act".

TITLE I—INTER-DEPARTMENTAL AGREEMENT AND COORDINATION OF SERVICES

SEC. 101. MEMORANDUM OF AGREEMENT.

(a) PURPOSE.—Not later than 90 days after the date of the enactment of this Act, the Secretary of Interior and the Secretary of Health and Human Services shall agree by means of a memorandum of agreement to—

(1) coordinate the Bureau of Indian Affairs and Indian Health Service alcohol and substance abuse programs existing on the date of the enactment of this Act with programs established by this Act;

(2) identify Federal, State, local, Tribal, and private resources to combat alcohol and substance abuse among Indian youth;

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(3) delineate the responsibilities of the Bureau of Indian Affairs and the Indian Health Service to coordinate alcohol and substance abuse-related services at the central, area, agency, and service unit levels;

(4) determine from such information as is available prior to the study required under section 501, an estimate of the scope of the Indian youth alcohol and substance abuse problem and its estimated financial and human costs;

(5) authorize the Bureau of Indian Affairs agency superintendents and education superintendents and the Indian Health Service service unit directors to enter into agreements described in section 102; and

(6) provide for biannual review by the Secretary of Interior and the Secretary of Health and Human Services of the agreement under this subsection.

(b) LIMITATION.—The actions and coordination involved in implementing this Act, and the agreement reached under subsection (a), shall supplement, not supplant, any activity or program related to alcohol or substance abuse that is in existence on the date of the enactment of this Act and shall be made in the manner least disruptive to Tribal control, in accordance with the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450 et seq.) and local control, in accordance with section 1130 of the Education Amendments of 1978 (25 U.S.C. 2010).

(c) SOLICITATION OF COMMENT.—The Secretary of Interior and the Secretary of Health and Human Services shall, in developing the agreement under subsection (a), consult with and solicit the comments of—

(1) interested Indian Tribes;

(2) Indian individuals;

(3) Indian organizations; and

(4) professionals in the treatment of alcohol and substance abuse.

(d) PUBLICATION IN THE FEDERAL REGISTER.—The agreement under subsection (a) shall be submitted to Congress and published in the Federal Register not later than 90 days after the date of the enactment of this Act.

SEC. 102. COORDINATION OF AGENCY RESOURCES.

(a) APPLICATION.—After publication in the Federal Register of the agreement required under section 101(a), any Indian Tribe or Tribal organization, as defined in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 4506), may submit a written application to the Director of the Indian Health Service to coordinate local resources and services related to alcohol and substance abuse prevention, identification, education, treatment, and follow-up care for Indian youth.

(b) AGREEMENT.—

(1) IN GENERAL.—Not later than 90 days after the receipt of an application under subsection (a), the Director of the Indian Health Service, in consultation with the Assistant Secretary for Indian Affairs, shall—

(A) enter into an agreement with such Tribe or Tribal organization to identify and coordinate the responsibilities and referral resources of all public and private agencies and programs providing alcohol and substance abuse-related resources or services for Indian youth within the service area of such Tribe or Tribal organization; and

(B) review and modify such agreement, as necessary, to reflect changes in the availability of such resources and services.

(2) COOPERATION OF LOCAL ENTITIES.—Any agreement under paragraph (1) shall involve the cooperation of the Bureau of Indian Affairs Agency Superintendent, the Bureau of Indian Affairs Superintendent for Education, and the Indian Health Service Service Unit Director, of any such Tribe or Tribal organization.

SEC. 103. COORDINATION OF EXISTING PROGRAMS.

The Secretary of Interior, the Secretary of Health and Human Services, and the Secretary of Education shall, to the extent possible, provide for the coordination of programs, other than those established by this Act, that provide support or services relating to alcohol or substance abuse.

SEC. 104. DIVISION OF RESPONSIBILITY.

(a) SECRETARY OF HEALTH AND HUMAN SERVICES.—Except as provided in subsection (c), the Secretary of Health and Human Services, in consultation with the Secretary of Education and the Secretary of Interior, and acting through the Indian Health Service, shall have the primary responsibility for the implementation of this Act.

(b) BUREAU OF INDIAN AFFAIRS.—The Assistant Secretary for Indian Affairs, acting through the Bureau of Indian Affairs, shall be responsible for providing such

support and cooperation as are necessary to implement this Act and the agreement entered into under section 101(a).

(c) SECRETARY OF INTERIOR.—The Secretary of Interior shall have the primary responsibility for the implementation of title IV.

(d) REPORT.—The Secretary of Health and Human Services shall make annual reports to Congress on the progress of the implementation of this Act. Such report shall specify any problems in such implementation that must be resolved by interagency action.

TITLE II—EDUCATION

SEC. 201. AMENDMENTS TO THE INDIAN ELEMENTARY AND SECONDARY SCHOOL ASSISTANCE ACT

Section 304 of the Indian Elementary and Secondary School Assistance Act (20 U.S.C. 241cc) is amended by—

(1) striking "and" at the end of paragraph (1);

(2) striking the period at the end of paragraph (2) and inserting "; and"; and

(3) adding at the end the following:

"(3) the training of counselors at schools eligible for funding under this title in counseling techniques relevant to the treatment of alcohol and substance abuse.".

SEC. 202. AMENDMENTS TO THE INDIAN EDUCATION ACT.

Section 423 of the Indian Education Act (20 U.S.C. 3385b) is amended by—

(1) inserting in subsection (a) "clinical psychology" after "medicine"; and

(2) adding at the end the following:

"(e) Not more than 10 percent of the fellowships awarded under subsection (a) shall be awarded, on a priority basis, to persons receiving training in guidance counseling with a specialty in the area of alcohol and substance abuse counseling and education.".

SEC. 203. AMENDMENTS TO THE ADULT EDUCATION ACT.

Section 315(a) of the Adult Education Act (20 U.S.C. 1211a(a)) is amended by—

(1) striking the period at the end of paragraph (5) and inserting "; and"; and

(2) adding at the end the following:

"(6) to provide alcohol and substance abuse counseling services to better enable Indians in need of such services to take advantage of educational and employment opportunities.".

SEC. 204. AMENDMENTS TO THE EDUCATION AMENDMENTS OF 1978.

(a) SECTION 1121.—Section 1121 of the Education Amendments of 1978 is amended by adding at the end the following:

"(i)(1) The Assistant Secretary shall provide the technical assistance necessary to develop and implement a program of instruction regarding alcohol and substance abuse prevention and treatment for students in kindergarten and grades 1 through 12, at the request of—

"(A) any Bureau of Indian Affairs school (subject to the approval of the school board of such school); or

"(B) any school board of a school operating under a contract entered into under the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450 et seq.).

"(2) In schools operated directly by the Bureau of Indian Affairs, the Secretary shall, not later than 120 days after the date of the enactment of this Act, provide for—

"(A) accurate reporting of all incidents relating to alcohol and substance abuse; and

"(B) individual student crisis intervention.

"(3) The programs requested under paragraph (1) shall be developed in consultation with the Indian Tribe that is to be served by such program and health personnel in the local community of such Tribe.

"(4) Schools requesting program assistance under this subsection are encouraged to involve family units and, where appropriate, Tribal elders and Native healers in such instruction.".

(b) SECTION 1129.—Section 1129 of the Education Amendments of 1978 is amended by adding at the end the following:

"(e)(1) A financial plan for a school under subsection (b) may include, at the discretion of the local administrator and the school board of such school, a provision for a summer program of academic and support services for students of the school.

Any such program may include activities related to the prevention of alcohol and substance abuse. The Assistant Secretary of Indian Affairs shall provide for the utilization of any such school facility during any summer in which such utilization is requested.

"(2) Notwithstanding any other provision of law, funds authorized under the Act of April 16, 1934 (25 U.S.C. 452 et seq.) and the Indian Education Act (P.L. 92-318) may be used to augment the services provided in such a summer program, at the option, and under the control of, the Tribe or Indian-controlled school receiving such funds.

"(3) The Assistant Secretary of Indian Affairs, acting through the Director of the Office of Indian Education Programs shall provide technical assistance and coordination for any program described in paragraph (1) and shall to the extent possible, encourage the coordination of such programs with any other summer programs that might benefit Indian youth, regardless of the funding source or administrative entity of any such program.".

SEC. 205. NEWSLETTER.

The Secretary of Interior shall, not later than 120 days after the date of the enactment of this Act, publish an alcohol and substance abuse newsletter in cooperation with the Department of Health and Human Services and the Department of Education to report on Indian alcohol and substance abuse projects and programs. The newsletter shall—

(1) be published once in each calendar quarter;

(2) include reviews of programs determined by the Secretary of Interior to be exemplary that provide sufficient information to enable interested persons to obtain further information about such programs; and

(3) be circulated without charge to—

(A) schools;

(B) Tribal offices;

(C) Bureau of Indian Affairs agency and area offices;

(D) Indian Health Service area and service unit offices;

(E) Indian Health Service alcohol programs; and

(F) other entities providing alcohol and substance abuse-related services or resources to Indian people.

TITLE III—FAMILY AND SOCIAL SERVICES

SEC. 301. TRAINING.

(a) COMMUNITY HEALTH REPRESENTATIVES.—Any training program for community health representatives funded under the Act of November 2, 1921 (25 U.S.C. 13) shall include not less than 2 weeks of training on the problems of alcohol and substance abuse and shall include instruction in crisis intervention, pharmacology, family relations, and the causes and effects of fetal alcohol syndrome.

(b) INDIAN HEALTH SERVICE.—

(1) PRIMARY TRAINEES.—The Director of the Indian Health Service shall, not later than 90 days after the agreement reached under section 101)a), either directly or through contract, make available training on the problems of alcohol and substance abuse, including instruction in crisis intervention, family relations, and the causes and effects of fetal alcohol syndrome to—

(A) Bureau of Indian Affairs agency superintendents of education (or the designee of any such superintendent);

(B) Bureau of Indian Affairs agency superintendents (or the designee of any such superintendent);

(C) Indian Health Service service unit directors;

(D) Bureau of Indian Affairs social workers;

(E) Indian Health Service doctors, nurses, nurse's aides, social workers, mental health workers, and paramedical personnel;

(F) Bureau of Indian Affairs school personnel and members of Bureau of Indian Affairs school boards and school boards operated under contract under the Indian Self Determination and Education Assistance Act (25 U.S.C. 450 et seq.);

(G) personnel of schools operated under contract under the Indian Self-Determination and Education Assistance Act; and

(H) students in grades 7 through 12 who are in school-sponsored or approved peer-counseling programs who have been designated by the Superintendent of the school that they attend.

(I) candidates for the position of supervisor of an emergency shelter established under section 402(c).

(2) SECONDARY TRAINEES.—The Director of the Indian Health Service shall also offer, upon request and subject to the availability of funds, the training described in paragraph (1) to—

(A) members of school boards governing public schools on or near Indian reservations and public schools in Oklahoma, Alaska, and California with significant numbers of Indian students;

(B) members of child welfare protection committees serving Indian communities;

(C) educators at Tribal colleges that do not otherwise provide alcohol and substance abuse training to their personnel;

(D) Urban Indian Center counselors;

(E) home-school-liaison personnel funded under the Indian Elementary and Secondary School Assistance Act;

(F) Tribal Council members and executives;

(G) Tribal court judges and staff;

(H) Administrators of the Women, Infants and Children Program operated by the Department of Agriculture;

(I) personnel of public schools on or near Indian reservations and public schools in Oklahoma, Alaska, and California with significant numbers of Indian students; and

(J) any interested member of the Indian community.

(3) EMERGENCY SHELTER SUPERVISORS.—

(A) RENEWAL.—Training for supervisors of emergency shelters established under section 402(c) shall be renewed periodically as determined by the Director of the Indian Health Service to be necessary.

(B) STANDARDS.—Any training provided under paragraph 1(I), or renewal of such training under subparagraph (A), shall be consistent with the licensing standards for such shelters established under section 402(c)(3) of title IV.

(4) FEES.—

(A) PRIMARY TRAINEES.—The Secretary of Health and Human Services shall provide the training under subsection (b)(1) at no cost to the recipients.

(B) SECONDARY TRAINEES.—The Secretary may provide the training under subsection (b)(2) at no charge or at a nominal fee adequate to pay for the cost of instruction. Any fees collected under this subsection shall be retained by the Director of the Indian Health Service and shall be used to provide additional training under this title.

(5) LOCAL EMPHASIS.—Training provided under paragraph (1) and (2) shall, to the extent possible, be culturally relevant to, and be conducted in, the local community of the recipients of such training and shall use the services of Tribally controlled community colleges.

(6) CERTIFICATION.—The Secretary of Health and Human Services shall, upon request, provide certification to any person who completes training under this title for the purpose of obtaining academic credit or certification at any post-secondary educational institution.

TITLE IV—LAW ENFORCEMENT

SEC. 401. EDUCATION.

The Assistant Secretary of the Bureau of Indian Affairs shall, in the training of Bureau of Indian Affairs law enforcement personnel, provide education on the problems of alcohol and substance abuse among Indian youth.

SEC. 402. ALTERNATIVES TO INCARCERATION.

(a) TRIBAL, FEDERAL, AND BUREAU OF INDIAN AFFAIRS LAW ENFORCEMENT.—

(1) EMERGENCY SHELTERS AND COMMUNITY-BASED TREATMENT FACILITIES.—Subject to paragraphs (2) and (3), any Tribal, Federal, or Bureau of Indian Affairs law enforcement officer who arrests an Indian youth for any offense related to the abuse of alcohol or drugs shall, in lieu of incarceration, place such youth in a temporary emergency shelter described in subsection (c) or a community-based alcohol or substance abuse treatment facility to the extent such facilities are available.

(2) GUIDELINES.—Not later than 6 months after the date of the enactment of this Act, the Secretary of Interior, in consultation with the appropriate Tribal authorities and the Attorney General of the United States, shall issue guidelines under which a law enforcement officer described in paragraph (1) may place an Indian youth arrested for an offense related to substance or alcohol

abuse, in a facility other than an emergency shelter described in subsection (c). Such guidelines shall be consistent with the Juvenile Justice and Delinquency Prevention Act of 1974 (P.L. 93-415).

(3) COMPLIANCE WITH TRIBAL LAW.—The guidelines established under paragraph (2) shall, to the extent possible, be in compliance with Tribal law.

(b) STATE LAW ENFORCEMENT.—In the case of any State that exercises criminal jurisdiction over any part of Indian country under section 1162 of title 18 of the United States Code or section 401 of the Act of April 11, 1968 (25 U.S.C. 1321), such State is urged to require its law enforcement officers to—

(1) place any Indian youth arrested for any offense related to alcohol or substance abuse in a temporary emergency shelter described in subsection (c) or a community-based alcohol or substance abuse treatment facility in lieu of incarceration to the extent such facilities are available; and

(2) observe the guidelines promulgated under subsection (a)(2).

(c) EMERGENCY SHELTERS.—

(1) ESTABLISHMENT AND COMPENSATION SCHEDULE.—Not later than 90 days after entering into the agreement under section 101(a), the Assistant Secretary of the Bureau of Indian Affairs shall establish a program and approve a compensation schedule under which Indian families shall be compensated for providing temporary emergency shelters in their homes for Indian youths apprehended by law enforcement officers for offenses related to alcohol or substance abuse.

(2) REQUIREMENTS FOR OPERATION.—No emergency shelter established under a program under paragraph (1) shall commence operation until—

(A) the Tribal council of any Tribe to be served by such shelter approves such shelter; and

(B) such shelter meets the licensing standards promulgated under paragraph (3).

(3) LICENSING.—

(A) STANDARDS.—The Assistant Secretary of the Bureau of Indian Affairs shall, not later than 120 days after the date of the enactment of this paragraph, promulgate standards by which the emergency shelters established under a program under paragraph (1) shall become licensed.

(B) TRAINING.—Such standards shall require that any individual supervising such shelter have completed the training described in section 301(b)(1) of this Act.

(C) RENEWAL.—Licenses issued under subparagraph (A) shall be subject to renewal upon annual review and approval of the Assistant Secretary of the Bureau of Indian Affairs.

TITLE V—INDIAN YOUTH ALCOHOL AND SUBSTANCE ABUSE TREATMENT AND REHABILITATION

SEC. 501. STUDY.

The Director of the Indian Health Service shall, not later than 6 months after the date of the enactment of this Act, complete a study to determine—

(1) the size of the Indian youth population in need of residential alcohol and substance abuse treatment;

(2) where facilities to provide such treatment are, or should be, located;

(3) the cost of providing such treatment; and

(4) the effectiveness of public and private alcohol and substance abuse treatment programs in operation on the date of the enactment of this Act.

SEC. 502. INDIAN HEALTH SERVICE TREATMENT PROGRAM.

(a) SERVICES.—The Director of the Indian Health Service shall provide a program of comprehensive alcohol and substance abuse treatment services, including detoxification and counseling services, and follow-up care in Indian Health Service facilities and in facilities operated under contract under the Indian Self-Determination and Education Assistance Act to Indian youths in need of such services.

(b) OUTPATIENT FACILITIES.—No health facility described in subsection (a) shall be required under this section to provide inpatient services if such facility is primarily an outpatient facility.

(c) REPORT.—The Director of the Indian Health Service shall report on the progress of the program provided under subsection (a) to the appropriate committees of Congress not later than 18 months after the completion of the study described in section 501.

SEC. 503. ALCOHOL AND SUBSTANCE ABUSE TREATMENT FACILITIES.

(a) FEDERALLY OWNED STRUCTURES.—

(1) IDENTIFICATION.—The Secretary of Health and Human Services shall, acting through the Director of the Indian Health Service and in consultation with the Assistant Secretary of the Bureau of Indian Affairs, identify and utilize, wherever appropriate, existing federally owned structures suitable for use as residential alcohol and substance abuse treatment centers, to meet the needs identified in the study under section 501.

(2) GUIDELINES FOR SUITABILITY.—The Secretary of Health and Human Services shall, in consultation with professionals involved in the clinical treatment of alcohol and substance abuse among Indian youth, establish guidelines for determining the suitability of any such federally owned structure to be used as a residential alcohol and substance abuse treatment center. No clinically inappropriate, or structurally unsound, building shall be used as such a treatment center.

(3) CONDITIONS OF USE.—Any structure described in paragraph (1) may be used under such terms and conditions as may be agreed upon by the Secretary of Health and Human Services and the agency having responsibility for the structure.

(4) RENOVATION.—The Secretary of Health and Human Services may, directly or by contract, renovate any facility described in paragraph (1). Any such renovation shall conform with—

(A) such terms and conditions as have been agreed upon under paragraph (3); and

(B) such clinical requirements for alcohol and substance abuse treatment centers as are determined to be appropriate by alcohol and substance abuse treatment professionals.

(b) BUREAU OF INDIAN AFFAIRS FACILITIES.—

(1) IDENTIFICATION.—The Secretary of the Interior shall identify for the Secretary of Health and Human Services any existing Bureau of Indian Affairs facilities that could be utilized for residential alcohol and substance abuse treatment centers for Indian youths.

(2) LIMITATION.—No Bureau of Indian Affairs school shall be used under paragraph (1) as a treatment center for persons who are not students of such school without the express consent of the school board of such school.

(c) CONSTRUCTION OF NEW FACILITIES.—If there is not an adequate number of facilities that may be renovated under subsection (a)(4) to meet the treatment needs identified in the study under section 501, the Secretary of Health and Human Services shall seek specific authority to construct such facilities as the Secretary finds necessary to meet such treatment needs.

TITLE VI—DEFINITIONS

SEC. 601. DEFINITIONS.

For the purposes of this Act, the term—

(1) "agency office" means an administrative entity within the Bureau of Indian Affairs serving one or more Indian Tribes within a geographical area defined by regulation by the Bureau of Indian Affairs.

(2) "Bureau of Indian Affairs area office" means an administrative entity within the Bureau of Indian Affairs through which funds and services are provided to agency offices within a geographical area defined by regulation by the Bureau of Indian Affairs; and

(3) "Indian" means any person who is a member of an Indian Tribe or who is eligible for services under any program administered by the Assistant Secretary of Indian Affairs;

(4) "Indian Health Service area office" means an administrative entity within the Indian Health Service through which services and funds are provided to service units within a geographical area defined by regulation by the Indian Health Service;

(5) "Indian Tribe" means any Indian Tribe, band, nation, or other organized group or community of Indians, including any Alaskan Native village or regional or village corporation as defined in, or established pursuant to, the Alaska Claims Settlement Act (43 U.S.C. 1601 et seq.) that is recognized as eligible for special programs and services provided by the United States to Indians because of their status as Indians;

(6) "service area" means the geographical area served by a service unit;

(7) "service unit" means an administrative entity within the Indian Health Service serving one or more Indian Tribes within a geographical area defined by regulation by the Indian Health Service;

(8) "substance abuse" means abuse of any addictive or controlled substances or abuse of propellants and inhalants; and

(9) "youth" means any Indian, under the age of 18, or who attends a secondary school.

SUMMARY OF THE LEGISLATION

H.R. 1156, the Indian Youth Alcohol and Substance Abuse Prevention Act, is to make a clear Federal policy statement against alcohol and substance abuse among Indian Youth, to require Federal agencies to more closely coordinate their services and to provide for a comprehensive program for the prevention, diagnosis and treatment of this problem.

The major provisions of the bill: direct the Assistant Secretary of Indian Affairs (hereinafter referred to as the A.S. for B.I.A.) and the Secretary of Health and Human Services (acting for the Indian Health Services) to enter into an agreement to identify needs and local resources, and coordinate services, using existing Federal law to allow Tribes to provide local coordination; direct the A.S. for B.I.A. to assist local Bureau funded schools in developing and implementing a program for alcohol and substance abuse education (including provision of summer education programs); direct the Director of the Indian Health Service (hereinafter Dir. of I.H.S.) to provide training to a wide range of individuals and groups; direct the A.S. for B.I.A. to promulgate standards for its law enforcement officials to use in seeking alternatives to incarceration and establish on-reservation crisis shelters to be used in lieu of incarceration; and direct the Dir. of I.H.S. to study in depth the need in this area and the services presently available to meet it and make the prevention, diagnosis and treatment of alcohol and substance abuse a priority for I.H.S. resources.

LEGISLATIVE HISTORY

H.R. 1156 was authored by Mr. Bereuter and Mr. Daschle and was introduced by Mr. Bereuter and four cosponsors on February 20, 1985. Subsequently 54 Members have been added as co-sponsors. The bill was referred jointly to the Committees on Education and Labor, Interior and Insular Affairs and Energy and Commerce. Another bill, H.R. 2624, was introduced on May 23, 1985 by Mr. McCain, and was similarly referred.

Within the Committee on Education and Labor, the bill was referred to the Subcommittees on Elementary, Secondary and Vocational Education and Select Education. Field Hearings were held by the Committee on Interior and Insular Affairs on May 28, 1985 (Rapid City, South Dakota), June 14, 1985 (Albuquerque, N.M.), and June 15, 1985 (Phoenix, Ariz.). Hearings were held by the same Committee in Washington on October 25, 1985 and April 29, 1986. For the latter, Members of the Committee on Education and Labor were invited to participate. On June 25, 1986, the Committee met, discharged the Subcommittees from further consideration of the bill and ordered the bill reported with an amendment. On July 25,

1986, the Committee on Interior and Insular Affairs also ordered H.R. 1156 reported with an amendment.

Need for the Legislation and Provisions of the Bill

BACKGROUND

Alcoholism and substance abuse is the number one health and social problem on American Indian Reservations and in Alaskan Villages. Recent surveys show that the average alcoholism rate for all Native Americans is 451% higher than the National Average. This devastating statistic is even higher one some reservations, where poverty and hopelessness fuel the problem. A recent study showed that 90% of the Indians on one reservation live in daily contact with chronic alcohol abuse in one of its many forms. Alcohol related death and disease are the biggest killers on reservation, at a rate almost 8 times their incidence in the non-reservation world. The Indian Health Service states that alcohol is implicated in 4 out of 10 of all deaths that occur on resevations.

Unfortunately, this same situation is being transferred to the younger generation of Native Americans. Increasing numbers of Indian youth are regularly drinking alcohol by the age of 13. More and more Indian students are abusing drugs, including marijuana, glue, and paint. The ingestion of copying fluids and cleaning agents has led some stores and schools to place these under lock and key, while the inhaling of automobile exhaust and the "huffing" of gasoline fumes is wreaking havoc on reservations throughout the States. Alcoholism is ranked with accidential death as the number one killer of young Native Americans.

H.R. 1156 is an attempt to take the needed steps to remediate this intolerable problem. It is not the first such attempt. Congress has directed action against alcohol and substance abuse as early as 1886 (20 U.S.C. 111). However, past efforts have been hampered by lack of Federal commitment and a scatter-gun uncoordinated approach.

H.R. 1156 addresses the issue by requiring coordinated action by the two Federal agencies chiefly responsible for the Federal programs for American Indians and Alaskan Natives—the Bureau of Indian Affairs and the Indian Health Service. It is the result of intensive work by Mr. Bereuter and Mr. Daschle since 1983. Both of these Members, who have substantial Indian constitutencies and who are familiar with the problem, have worked closely with other Members on the drafting of this bill. While no one would question the need for improved diagnosis and treatment for all Indian alcohol and substance abusers, there was a consensus that there was a special need for quick, concerted action to address the needs of Indian youth, with a new and dramatic emphasis on education and prevention.

Working with the staffs of the Committees of jurisdiction and the agencies involved, a bill was introduced on this issue in the 98th Congress. That bill was mailed for comment to approximately 700 Indian Tribal leaders, health and education specialists and American Indian and Alaskan Native policy makers throughout the

United States. As the result of the hundreds of responses received, the bill was redrafted and reintroduced as H.R. 1156.

TITLE I

Title I specifies the development of two Memoranda of Agreement (herein after MOA), one, at the national or central level, and the other at the local or agency level. The MOA at the national, or central level, requires an interdepartmental agreement between the Secretaries of the Interior and Health and Human Services which will coordinate the Bureau of Indian Affairs and Indian Health Service programs which currently exist or which will be initiated as a result of this Act. The Memorandum of Agreement will identify Federal, State, local, Tribal and private resources which can be utilized for the fight against alcohol and substance abuse among Indian youth. The MOA further deliniates the responsibilities of the BIA and IHS to coordinate neeed services at the central, area, agency and service unit levels. The Members point out that part of the reason for the development of the MOA can be attributed to comments made by officials at the BIA and IHS who advised that such an agreement would compel the agencies to talk with one another and begin the process of acting together to combat the recognized tragedy of alcohol and substance abuse among American Indian and Alaskan Native youth. This MOA is to be specific as to the responsibilities of each agency, products to be produced or actions taken, as well as specifying contact personnel and time lines for all steps for implementation. A simple statement that cooperation is beneficial and that it should be done somewhere, by someone, at sometime, would not be sufficient.

The MOA also requires a report on the extent of human and financial costs of alcohol and substance abuse. This report is to be based on current information. When the report required under Section 501 of the Act is completed, it should furnish the basis for a reconsideration of the MOA and any further action.

Additionally, the actions and coordination required in the implementation of this Act are intended to supplement, not supplant, all activities that are ongoing in this problem area. Such actions and coordination are also meant to assist Tribes in initiating alcohol and substance abuse efforts where currently none exist. The Act also requires the solicitation of comments from Tribes and Tribal organizations and all actions taken must be consistent with self-determination and local control, as those Federal policies are set out in law.

At the local or ageny level, a Tribe or Tribal organization may submit a written application to the Director of IHS to coordinate local alcohol and substance abuse prevention resource and services, including directing the BIA and IHS agency superintendents, in concert with the Tribe, to enter into the agreement that will coordinate responsibilities and referral resources of all public and private agencies and programs that provide needed sevices. The Members wish to stress that their intent is that Tribes will be leaders in the fight against alcohol and substance abuse, to be assisted by *willing* Federal agencies giving active, not grudging, assistance. This directive should be borne in mind as the agencies respond to

the directive to prepare agreements at both the national and local levels for the facilitation of this Act.

Finally, Title I stipulates which Federal agency will have the primary responsibility for, and thus the primary accountability for, each activity in the Act.

TITLE II

Title II stipulates activities in the field of education. With respect to programs under th Indian Education Act (hereinafter I.E.A.), it authorizes the use of I.E.A. funds for in-service training of school counselors. It also directs that I.E.A. fellowship funds may also be used for study in the field of clinical psychology (a change required by the Department's unduly restrictive interpretation of the current authorization).

The Indian Education Act is also amended to place a priority on fellowships for those entering programs for a degree in alcohol and substance abuse counseling. There was considerable discussion about mandating a 10% set aside in this area. However, because of the limited funding level of these fellowships, the decision was against setting a precedent by setting aside these funds. The Committee encourages the Indian Health Service and the B.I.A. to also give special consideration to fellowship requests for training in this area of study. It is only with a trained group of qualified personnel that the purposes of this Act can be fulfilled.

The Committee also expects that the Bureau of Indian Affairs shall begin to provide inservice training in a consistent and periodic fashon, either directly or through contract with qualified persons and in manner consistent with the wishes of the local school board. Of course, preference would be given to qualified American Indian and Alaskan Native individuals to be training providers.

The section of the title dealing with Bureau of Indian Affairs programs was totally rewritten by the Committee. Cognizant of the fact that increased funds are scarce, the Committee realized that any programs authorized would be taken from current resources. However, this would mean a decrease in another area of current services, an action which would be destructive to the concept of local control.

The Committee's amendment is carefully fashioned to reconcile these issues. The A.S. for B.I.A., through the standards process, is to encourage and facilitate the establishment of these programs in all Bureau funded schools. The Committee specifically notes the need for technical assistance in the area of curriculum development and programs coordination.

However, specific authority for the implementation of these programs and the specific curriculum to be used, is clearly left to the local school administration and school board. The A.S. for B.I.A. is to provide service *upon request,* and it is to be assistance, not dictation.

The Committee feels that two points must be made. First, a standard curriculum which may be accepted nationally as proved effective may or may not be relevant for the purposes of this Acct. The Committee notes that some of the most successful alcohol and substance abuse programs developed for Indians and Alaskan Na-

tives have been locally developed and have utilized traditional tribal leaders and native healing in the treatment of alcohol and substance abuse. The Committee further notes the importance of role models for Indian youth and encourages schools and federal agencies who work with Indian youth to address inhouse those situations where personnel are not acting in a manner to be an appropriate role model. Agencies are encouraged to deal forthwith with personnel who may have alcohol or substance abuse problems.

Second, the testimony received by the Congress from the Bureau of Indian Affairs was misleading in stating that alcohol and substance abuse curriculum was in place at many schools. At a closer look, it became evident that in too many instances, what the Bureau of Indian Affairs was reporting as a program in place consisted of a poster on the bulletin board or a guest lecture once or twice a year. There are few comprehensive education or treatment programs targeted at addressing the problem of Indian youth alcohol and substance abuse in place in Indian country. This Act is designed to provide a comprehensive programmatic approach to education, prevention and treatment of alcohol and substance abuse. A poster or guest lecture does not suffice and these shortcuts to fulfilling the purposes of this Act are not acceptable. The Committee does not accept the testimony by the Bureau of Indian Affairs that 122 of the 183 BIA funded schools have alcohol and substance abuse programs in place. The Committee directs that an alcohol and substance abuse program is to be a curriculum based program incorporated into the school system to be implemented in a consistent, integrated and ongoing manner. Local School Boards are encouraged to work with public schools and other community-based programs to coordinate efforts and promote alcohol and substance abuse counseling, prevention, and education in programs for Indian youth. More than half of this nation's Indian youth do not live on Indian reservations and more than 80% of Indian youth attend public schools. To the extent possible, training and programs to meet the needs of these youths should be considered.

For schools operated directly by the Bureau of Indian Affairs reporting requirements are included so there can be accurate reporting of all incidents relative to alcohol and substance abuse. It is only with this data that Congress will be able to make the necessary assessment for funding of the various provisions of the Act. There are currently no accurate statistics which show how many youth are affected; nor is there any information on early detection and treatment mechanisms that are effective. This Act corrects this.

The Congress received, and agreed with, testimony on the importance of providing summer programs and recreational opportunities to fulfill the purposes of this Act. However, once again the Committee realized that the current posture against increased funding would mean that any statutory requirement in this area would mean a cut in other, locally established programs. The Committee again resolved this by making this an authorized use of Indian Student Equalization Funds, to be controlled at the local level. The Committee stresses that the Central Office should take no action to hinder this local control. In those instances where the local school administration and school board decide on summer

programs of academic and support services, the Bureau of Indian Affairs is directed to provide for the utilization of school facilities and provide technical assistance. Funds from other sources may be used to augment summer program services. In those instances where a school board requires in their financial plan that funds be provided from I.S.E.F. for summer programs, an academic component must be included in the program.

A newsletter is required four times during the calendar year for the purpose of updating the constituency as to exemplary programs and contact people in order to fulfill the purposes of this Act. It is the intent of the Committee that this newsletter will compile all relevant materials, including Health and Human Services, Department of Education, and Bureau of Indian Affairs data and program information. The bill specifies the circulation of the newsletter.

TITLE III

Title III directs the IHS to conduct training programs for a variety of members of Indian communities in several areas related to the prevention of alcohol and substance abuse. Specifically, the training program for Community Health Representatives shall include not less than two weeks of training in crisis intervention, pharmacology, family relations, and the causes and effects of Fetal Alcohol Syndrome and Fetal Alcohol Effect. The Members believe that Community Health Representatives can play a critical role in the community effort to eradicate alcohol and substance use among Indian youth since they are the first responders on the health care scene, and are often in a position where they must deal with or react to a family crisis situation that may involve alcohol and substances. As such, their current alcohol and substance abuse training is inadequate to prepare them for the additional responsibilities that this Act envisions.

Title III also requires training, either directly or through contract, for two groups of persons. Again recognizing the fiscal reality of limited funds, the Committee has divided the potential recipients of training into two groups. The primary groups of trainees shall receive the training, at no cost, on the problems of alcohol and substance abuse, crisis intervention, family intervention, and the causes and effects of Fetal Alcohol Syndrome and Fetal Alcohol Effect. This group of persons includes BIA agency superintendents of education, BIA agency superintendents (or designees), IHS service unit director, BIA social workers, IHS personnel, BIA and contract school personnel, and BIA and contract school boards' members, students in grades 7–12 who are involved in peer counseling programs which are approved and sponsored by their secondary institutions and candidates for the position of supervisor of an emergency shelter which is established by this Act.

The Committee states that counseling provided by the individuals trained under this section of the Act should target those young people who are most at risk from alcohol and substance abuse, while recognizing that their services are intended to assist all young people who are vulnerable to the problem. They further stress the importance of peers and family in this fight. Among teens, especially, the use of peer counselors, who have pulled their

own lives together, can be most effective. The involvement of the family is also viewed as an admirable goal, whenever possible, since often as not, the problems that lead to the use of alcohol and substances, or exacerbate their use, occur in the crucible of the family. The Committee also notes that candidates for the position of supervisor, not solely current supervisors, of emergency shelters, are to be eligible for this training.

A secondary group of trainees shall be offered training, upon request and subject to the availability of funds. IHS is allowed to charge a fee for the training of the secondary trainees. All fees collected in this section will be retained by IHS for the purpose of further training under the Act. The individuals in this second group will come from school board members governing public schools on or near reservations, and public schools in Oklahoma, Alaska, and California who have significant numbers of Indian students. It also includes members of Indian Child Welfare Protection Committees, Tribal college personnel, Urban Indian Center counselors, home-school liaison personnel funded under Title IV of the Elementary and Secondary Education Act, Tribal council members, Tribal court judges and staff, WIC personnel, public school personnel, or any member of an Indian community with an interest in the problem.

The Committee wants to clearly state that division of trainees into two groups in no way signals that the Committee views training for the secondary group as less important. It is solely a reflection of fiscal reality. The Members wish to point out here that such training should be on-going, to accommodate transfer or turnover in personnel who receive the training.

The Committee directs that all training should recognize the use of traditional methods and beliefs as effective tools, and that the use of native healers and spiritual leaders is also appropriate. In addition, training should be provided, to the greatest extent possible, in the local community of those receiving the training. Training efforts shall, to the greatest extent possible, make use of the services of the tribal colleges. The Committee notes that the tribal community colleges play a central role in the development of many of the communities and surrounding areas in which they are located, and that they serve as a focus of community life and goals. The Committee believes that education is a crucial component in the struggle to achieve self-determination and any role that the respected and valued tribal colleges can play in strengthening the community should be encouraged.

In attempting to enhance the value of the training, the Secretary of Health and Human Services shall provide certification, upon request, to any person who completes training under this Title and wishes to use it for the purposes of obtaining academic credit or certification at any postsecondary institution.

Finally, the Committee points out that a media campaign to advise the community of the availability of training can utilize such resources as Health Fairs, Pow Wows, billboards, and flyers. It is also expected that the unofficially-recognized community elders, who may often be the confidants of tribal young people and other members of the tribe, will be a resource to tribal individuals who receive the training.

TITLE IV

Title IV directs the Assistant Secretary for Indian Affairs to provide education on the problems of alcohol and substance abuse among Indian youth to all of its law enforcement personnel. The Committee is convinced that law enforcement persons should be well trained in intervention and interpersonal skills.

The Title further directs, subject to the guidelines of the A.S. for B.I.A., Bureau of Indian Affairs officers who arrest Indian youth on alcohol or substance related charges to place these young persons in a community-based alcohol treatment facility or in an emergency shelter established by this Act, in lieu of incarceration. The Committee stressed that the emergency shelter is to be used only as long as is necessary to make appropriate arrangements or subsequent plans for the young person involved, arrangements that consider the young person's social, personal, medical and educational needs and coordinates all interested parties and services. The Committee particularly directs that the A.S. for B.I.A. and Department of Human Services take steps to coordinate their services. Today, too often the Bureau states that its responsibility ends after a short detention period, while the IHS states that it will not provide services to the young person unless they are totally incapacitated. Too often, there is a failure to even notify the other agency of occurrences on the same reservation.

The Committee also suggests that the Act should be construed to allow officers the discretion to call upon the informally-recognized confidante or Tribal elder, if that seems to be appropriate and where it is done in a manner consistent with the rights of privacy and Federal statute.

The Secretary of the Interior is instructed to formulate guidelines on alternatives to incarceration with Tribal and expert input and punish them. They must be consistent with the Juvenile Justice and Delinquency Prevention Act (P.L. 96–509). To the greatest extent possible, however, these guidelines should be in compliance with Tribal law. The Committee states that the Juvenile Justice and Delinquency Prevention Act provisions should be viewed as minimum standards. Many Tribes, however, have enacted their own juvenile codes, and if these codes are more restrictive than the JJDJPA, they should be applied.

The Committee notes that there are States which exercise criminal jurisdiction over Indian country, and the Act contains a provision that encourages those States to also make use of any available emergency shelters in lieu of incarceration, where appropriate, and to follow the guidelines that will be used by the BIA law enforcement personnel in determining the placement of youth who are apprehended on a drug or substance related charge.

The Title also establishes a program under which Indian families will be compensated for providing emergency shelters in their homes for Indian young people who are apprehended on alcohol or substance related charges. The Members wish to state here that tribes should be able to use their Housing Improvement Program (HIP) funds to improve emergency shelters, if they so desire.

An emergency shelter will not be allowed to operate until the Tribal Council has approved it, and until it meets the licensing re-

quirement set forth by the Assistant Secretary for Indian Affairs. Persons who supervise these shelters will receive training under Title III in the problems associated with alcohol and substance abuse.

The Committee notes legitimate concerns regarding the implications of placing minor children in the care of persons who are not their parents or guardians. We are therefore most concerned about the guidelines developed to assist law enforcement personnel in placing youth who are arrested on alcohol or substance related charges, as well as the guidelines and licensure established for the operation of emergency shelters. The training received by the persons who operate these emergency shelters should emphasize crisis intervention techniques. Persons wishing to operate such shelters should be carefully evaluated by the Tribal Council in the course of their deliberations on the approval of the emergency shelter. In establishing this procedure, the Committee is recognizing, and relying upon, the Tribal Councils.

TITLE V

Title V requires the Director of Indian Health Service to complete a study that determines the size of the Indian youth population in need of residential alcohol and substance abuse treatment; where facilities providing such treatment should be located, or where they are currently located; the cost of providing treatment based on the size of the population; and the effectiveness of treatment programs in operation at the time of the enactment of the Act.

The Committee points out that treatment of young persons for alcohol and substance abuse is more likely to be effective if those young people are able to remain as close to their homes as possible. They recognize, however, that this may not always be feasible.

Title V also requires the Director of Indian Health Service to provide comprehensive alcohol and substance abuse treatment services, which will include detoxification, and counseling services and follow-up care. The Committee believes that this will require a total integration of the treatment of alcoholism into the IHS health delivery system, so that the physiological, psychological, and sociological aspects of alcoholism are considered during the treatment process.

This treatment is to be provided as needed in all IHS facilities, as well as in facilities that are operated under contract. However, no outpatient facility is required to provide treatment programs.

The Secretary of Health and Human Services and the Secretary of the Interior are directed to identify and utilize, wherever appropriate, existing Federally-owned structures that are suitable for use as residential treatment centers. The Secretary of HHS is also directed to establish guidelines for the use of such facilities. Specifically, no clinically inappropriate, or structurally unsound buildings shall be used as treatment centers. Expert opinion should be consulted on this issue. The Committee regrets the need for this provision. However, it is aware of the abysmal record attached with utilization of facilities, with improper or actually inappropriate facili-

ties being used in a haphazard fashion to provide a basis for saying that "something is being done". This should not happen here.

Also the Committee notes that no school facility, or part of a school facility, may be used for such a treatment center for other than the students of that school, unless the school board of the school agrees. Finally, while the Secretary of Health and Human Services may renovate a facility deemed appropriate for the purpose of residential treatment, there is no authority to construct a residential treatment facility. If, as a result of the study required in this Title, the Secretary of HHS determines that a residential facility is needed in a location where no suitable facility exists, the Secretary shall seek specific authority from Congress for such construction.

OVERSIGHT

No findings or recommendations concerning oversight of the program authorized by the bill have been received from the Committee on Government Operations.

COST ESTIMATE

The Congressional Budget Office has provided the following estimates of the costs which will be involved in implementing this legislation. The Committee concurs in these estimates and adopts them in compliance with clause 7 of rule XIII. No cost estimates have been received from any other Federal department or agency. The Congressional Budget Office letter follows:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, July 29, 1986.

Hon. AUGUSTUS F. HAWKINS,
Chairman, Committee on Education and Labor,
U.S. House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the attached cost estimate for H.R. 1156, the Indian Youth Alcohol and Substance Abuse Prevention Act, as ordered reported by the House Committee on Education and Labor on June 25, 1986.

If you wish further details on this estimate, we will be pleased to provide them.

With best wishes,
Sincerely,

RUDOLPH G. PENNER.

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

1. Bill number: H.R. 1156.
2. Bill title: Indian Youth Alcohol and Substance Abuse Prevention Act.
3. Bill status: As ordered reported by the House Committee on Education and Labor on June 25, 1986.
4. Bill purpose: To coordinate and expand services for the prevention, identification, treatment and follow-up care of alcohol and drug abuse among Indian youth and for other purposes.

5. Estimated cost to the Federal Government:

[By fiscal years, in millions of dollars]

	1987	1988	1989	1990	1991
Estimated authorization:					
Level	2.7	1.8	1.9	1.9	2.0
Offsetting collections	−.4	−.2	−.3	−.2	−.2
Total estimated authorization level [1]	2.3	1.6	1.6	1.7	1.8
Estimated outlays	2.0	1.8	1.9	2.0	2.0
Offsetting collections	−0.4	−0.2	−0.3	−0.2	−0.2
Total estimated outlays	1.6	1.6	1.7	1.8	1.8

[1] The following costs are not included in this estimate: Compensation as authorized in Title IV. Alcohol and drug abuse treatment as authorized in Title V. Facility renovations as authorized in Title V.

The costs of this bill would fall within budget functions 500 and 550.

BASIS OF ESTIMATE

No stated authorizations for appropriations appear in the bill. We assume estimated authorization amounts are fully appropriated at the beginning of each fiscal year. Outlays are estimated using spendout rates computed by CBO on the basis of similar health service program data. All authorizations are subject to subsequent appropriations action.

Title I of this bill would require the coordination of existing and newly authorized Indian youth alcohol and substance abuse programs within the Indian Health Service (IHS) and the Bureau of Indian Affairs (BIA).

Title II would amend the Indian Elementary and Secondary School Assistance Act and the Adult Education Act to provide alcohol and substance abuse training and counseling services. These activities would have to be funded under the authorization ceilings that exist in current law for both Acts. This title would also amend the Indian Education Act to provide a set-aside of the current authorization level for fellowships to be given to those training in alcohol and substance abuse counseling and education. No additional appropriations would be authorized. Title II would also change the Education Amendments of 1978 to authorize the Assistant Secretary of Education to give technical assistance to BIA schools and BIA contract schools in providing instruction to students on alcohol and substance abuse prevention. Such sums as may be necessary are authorized for the Education Amendments of 1978. Additional training and materials would be needed to provide this instruction in all schools. Training costs have been accounted for under Title III of the bill. Instructional materials for all schools could cost about $500,000. The bill would also require the Secretary of HHS to publish and distribute a newsletter on alcohol and substance abuse at an estimated annual cost of $100,000.

Title III would authorize training in alcohol and substance abuse, crisis intervention, family relations and fetal alcohol syndrome for new Community Health Representatives (CHR). It would also require HHS to make similar training available to certain BIA and

IHS personnel who work with Indian youths. This estimate assumes that all CHR's would be trained. It also assumes that one teacher from each BIA or contract school would be trained as well as all BIA social workers and one staffer from each IHS service unit. We assume training would take place in groups. We estimate the cost of this training to be $1.5 million annually. These costs could vary depending on the actual level of training activity undertaken.

H.R. 1156 could also provide training for school board representatives, tribal court judges, BIA law enforcement agents and others. The estimate assumes this optional training would be provided at cost. However, an initial appropriation would be required under the bill to cover these costs. The bill states that any fees charged for this training would be retained by the Director of the Indian Health Service and used to provide additional training. These fees would be treated as offsetting collections. We estimate that about $600,000 would be needed initially for this training. In 1988, outlays of $400,000 could result and would be fully offset by the collection of fees. The initial funding needed would be lower in future years as only new employees and emergency shelter supervisors would receive training or training renewal.

Title IV would require tribal, federal and BIA law enforcement agents to house Indian youths apprehended on alcohol or drug abuse charges in temporary emergency shelters if such facilities are available. This title would also establish a program for compensating Indian families who provide temporary emergency shelters in their homes for Indian youths. Compensation would be determined by the Assistant Secretary of the Bureau of Indian Affairs. CBO has no basis to estimate the number of temporary shelters that might be licensed under such a program or the level of compensation that might be set by the Assistant Secretary.

Title V would require the Secretary of HHS to conduct a study determining the population in need and the cost of providing residential youth alcohol and substance abuse treatment. It would also require the Indian Health Service to provide a comprehensive alcohol and substance abuse treatment program. The bill is not specific as to the level of services to be provided which presumably would be determined based on the findings of the study. The IHS currently spends about $25 million each year on alcohol and drug abuse treatment and prevention. Until the study authorized by this title is complete, CBO cannot determine the level of federal funding that might be needed to augment current services.

The study would also identify any existing federal or local community facilities that could be used as residential treatment centers. The bill authorizes renovation of such facilities, but no cost for renovation has been included in the estimate. Until this study is completed, neither IHS nor BIA can estimate the number of facilities that might be needed for residential treatment or the cost and extent of renovation of such facilities. The bill would require the Secretary of HHS to seek specific authority in subsequent legislation to construct any new residential facilities that might be needed.

6. Estimated cost to State and local government: The budgets of state and local governments would not be affected directly by the enactment of this bill.
7. Estimate comparison: None.
8. Previous CBO estimate: None.
9. Estimate prepared by: Carmela Dyer.
10. Estimate approved by: C.G. Nuckols (for James L. Blum, Assistant Director for Budget Analysis).

INFLATIONARY IMPACT

Since this measure does not involve the appropriation of new funds, the Committee does not anticipate any inflationary impact if it is adopted.

SECTION-BY-SECTION ANALYSIS OF H.R. 1156

Section 1.—Title

TITLE I

Section 101.—Within 90 days of enactment, the Secretaries of Interior and H.H.S. are to enter into a memorandum of agreement (MOA) to identify and coordinate all resources for alcohol and substance abuse prevention and treatment. The moa is to be reviewed biannually. Activities under this moa are to supplement, not supplant, current activities, and must be undertaken in a manner consistent with the Federal policies of self-determination and local control.

Section 102.—An Indian tribe or organization may submit an application to the Director of I.H.S. to coordinate local services. The timeline for such an agreement is given, and the active cooperation of local agency officials is mandated.

Section 103. The Secretaries of H.H.S., Interior and Education are, to the greatest extent possible, to coordinate current programs.

Section 104.—Stipulates which Agency has primary responsibility for the implementation of each Title in this Act.

TITLE II

Section 201.—Amends the Indian Education Act (I.E.A.) to make alcohol and substance abuse conseling an eligible activity for Part A programs.

Section 202.—Makes clinical psychology an eligible field for I.E.A. fellowships and sets aside up to ten percent of the funds from I.E.A. scholarships for training in the field of alcohol and substance abuse counseling.

Section 203.—Qualifies alcohol and substance abuse counseling as an eligible activity under the Adult Education provisions of the I.E.A.

Section 204(a).—Amends the Indian Education Amendments of 1978 to state that the Assistant Secretary of B.I.A. (hereinafter referred to as ASBIA) shall provide technical assistance to B.I.A. funded schools for the development of alcohol and substance abuse programs upon the request of the local school administration (with the approval of the school board) for B.I.A. operated schools and

the local school board for Bureau contracted schools. Also requires that the ASBIA immediately implement a system for crisis intervention in B.I.A. schools and a system for reporting incidents of abuse. Programs assisted by the ASBIA are to involve consultation with the local Indian Tribe and health personnel, to encourage involvement of families and, where appropriate, to involve Tribal elders and Native healers.

Section 204(b).—The Indian Education Amendments of 1978 are amended to make summer programs eligible components of a school program funded under the Indian Student Equalization Formula. The decision on the implementation of such a program is to be a local decision, with the ASBIA providing such facilities management and technical assistance support as may be required and coordinating all of these programs, regardless of funding or administrative source. The amendment authorizes the Tribes or school to use other funds to augment this program.

Section 205.—Authorizes the publication of an alcohol and drug abuse newsletter, to be widely distributed by the ASBIA to the field.

TITLE III

Section 301.—Require the I.H.S. to provide specific training to Community Health Respresentatives. It also spells out, in detail, two groups of individuals and officials who are to receive training on alcohol and substance abuse problems. The first of these groups is to begin to receive training, without charge, no more than 90 days after the date of enactment. The second group would receive training on the basis of available funds. This second group may be charged a nominal fee for this training, with the funds generated by such fees to remain available for additional training. Training should have a local emphasis, and to the extent possible, involve the local community colleges. Individuals who complete the training would receive a certification from the Secretary of H.H.S.

TITLE IV

Section 401.—All B.I.A. law enforement officers are to receive training in alcohol and substance abuse issues.

Section 402.—Within 6 months after the date of enactment, the ASBIA is to consult with Tribes and promulgate regulations for B.I.A. law enforcement officials which would require, to the greatest extent possible, that the officers exercise other options in lieu of incarceration for Indian youth who are alcohol or substance offenders. These regulations shall conform to the requirements of the Juvenile Justice and Delinquency Prevention Act and, to the greatest extent possible, shall conform to Tribal laws. It is anticipated that these guidelines will act as models for States. As part of this alternatives program, the ASBIA is to establish a system of emergency shelters in Indian homes, with shelter supervisors to be licensed and especially trained. Each shelter would have to be approved by the Tribe to be served.

TITLE V

Section 501.—Within 6 months of enactment, the Director of the I.H.S. is to conduct a study on the scope of the alcohol and substance abuse problem, as it relates to Indian youth.

Section 502.—The Director of I.H.S. is to provide a comprehensive treatment program for Indian youth with alcohol and substance abuse problems in I.H.S. funded facilities. Within 18 months of the completion of the study mentioned above, the Director is to rpeort to Congress on the progress of the implementation of this requirement.

Section 503.—After the establishment of guidelines, the Secretary of H.H.S., in consultation with the ASBIA, is to identify all Federal structures which would be appropriate for use as alcohol or substance abuse treatment facilities, provided that these facilities would have to be suitable structurally and clinically for this purpose. Renovation of structures would be allowed. The Secretary of the Interior is given a positive responsibility to cooperate in this effort, provided that no school could be used for this purpose for individuals other than its own students without the agreement of the school board of such school. If there is not an adequate number of facilities identified by this effort to meet the identified need, the Secretary of H.H.S. is to seek specific authority for such facilities.

TITLE VI

Section 601.—Definitions.

Changes in Existing Law Made by the Bill, As Reported

In compliance with clause 3, rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

Section 304 of the Indian Elementary and Secondary School Assistance Act

Sec. 304. Grants under this title may be used, in accordance with applications approved under section 305, for—

(1) planning for and taking other steps leading to the development of programs specifically designed to meet the special educational or culturally related academic needs, or both, of Indian children, including pilot projects designed to test the effectiveness of plans so developed; [and]

(2) the establishment, maintenance, and operation of programs, including, in accordance with special regulations of the Secretary, minor remodeling of classroom or other space used for such programs and acquisition of necessary equipment, specially designed to meet the special educational or culturally related academic needs, or both, of Indian children[.] *; and*

(3) the training of counselors at schools eligible for funding under this title in counseling techniques relevant to the treatment of alcohol and substance abuse.

SECTION 423 OF THE INDIAN EDUCATION ACT

SEC. 423. (a) During the fiscal year ending June 30, 1975, and each of the succeeding fiscal years ending prior to October 1, 1989, the Commissioner is authorized to award fellowships to be used for study in graduate and professional programs at institutions of higher education. Such fellowships shall be awarded to Indian students in order to enable them to pursue a course of study of not more than four academic years leading toward a postbaccalaureate degree in medicine, *clinical psychology,* psychology, law, education, and related fields or leading to an undergraduate or graduate degree in engineering, business administration, natural resources, and related fields. The Commissioner may, if a fellowship is vacated prior to the end of the period for which it was awarded, award an additional fellowship for the remainder of such period.

(b) The Commissioner shall pay to persons awarded fellowships under this subsection such stipends (including such allowances for subsistence of such persons and their dependents) as he may determine to be consistent with prevailing practices under comparable federally supported programs.

(c) The Commissioner shall pay to the institution of higher education at which the holder of a fellowship under this subsection is pursuing a course of study, in lieu of tuition charged such holder, such amounts as the Commissioner may determine to cover the cost of education for the holder of such a fellowship.

(d) The amount that is authorized to be appropriated to carry out the provisions of this section for each of the fiscal years 1987, 1988, 1989, is the amount appropriated for such purpose for fiscal year 1986.

(e) Not more than 10 percent of the fellowships awarded under subsection (a) shall be awarded, on a priority basis, to persons receiving training in guidance counseling with a specialty in the area of alcohol and substance abuse counseling and education.

SECTION 315 OF THE ADULT EDUCATION ACT

SEC. 315. (a) The Secretary shall carry out a program of making grants to State and local educational agencies, and to Indian tribes, institutions, and organizations, to support planning, pilot, and demonstration projects which are designed to plan for, and test and demonstrate the effectiveness of, programs for providing adult education for Indians—

(1) to support planning, pilot, and demonstration projects which are designed to test and demonstrate the effectiveness of programs for improving employment and educational opportunities for adult Indians;

(2) to assist in the establishment and operation of programs which are designed to stimulate (A) the provision of basic literacy opportunities to all nonliterate Indian adults, and (B) the provision of opportunities to all Indian adults to qualify for a high school equivalency certificate in the shortest period of time feasible;

(3) to support a major research and development program to develop more innovative and effective techniques for achieving the literacy and high school equivalency goals;

(4) to provide, for basic surveys and evaluation thereof to define accurately the extent of the problems of illiteracy and lack of high school completion among Indians;

(5) to encourage the dissemination of information and materials relating to, and the evaluation of the effectiveness of, education programs which may offer educational opportunities to Indian adults[.]; *and*

(6) to provide alcohol and substance abuse counseling services to better enable Indians in need of such services to take advantage of educational and employment opportunities.

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EDUCATION AMENDMENTS OF 1978

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PART B—BUREAU OF INDIAN AFFAIRS PROGRAMS

STANDARDS FOR THE BASIC EDUCATION OF INDIAN CHILDREN IN BUREAU OF INDIAN AFFAIRS SCHOOLS

SEC. 1121. (a) * * *

* * * * * * *

(i)(1) The Assistant Secretary shall provide the technical assistance necessary to develop and implement a program of instruction regarding alcohol and substance abuse prevention and treatment for students in kindergarten and grades 1 through 12, at the request of—

(A) any Bureau of Indian Affairs school (subject to the approval of the school board of such school); or

(B) any school board of a school operating under a contract entered into under the Indian Self-Determination and Education Association Act (25 U.S.C. 450 et seq.—.

(2) In schools operated directly by the Bureau of Indian Affairs, the Secretary shall, not later than 120 days after the date of the enactment of this Act, provide for—

(A) accurate reporting of all incidents relating to alcohol and substance abuse; and

(B) individual student crisis intervention.

(3) The program requested under paragraph (1) shall be developed in consultation with the Indian Tribe that is to be served by such program and health personnel in the local community of such Tribe.

(4) Schools requesting program assistance under this subsection are encouraged to involve family units and, where appropriate, Tribal elders and Native healers in such instruction.

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UNIFORM DIRECT FUNDING AND SUPPORT

SEC. 1129. (a)(1) * * *

* * * * * * *

(e)(1) A financial plan for a school under subsection (b) may include, at the discretion of the local administrator and the school board of such school, a provision for a summar program of academic and support services for students of the school. Any such program may include activities related to the prevention of alcohol and substance abuse. The Assistant Secretary of Indian Affairs shall provide for the utilization of any such school facility during any summer in which such utilization is requested.

(2) Notwithstanding any other provision of law, funds authorized under the Act of April 16, 1934 (25 U.S.C. 452 et seq.) and the Indian Education Act (P.L. 92-318) may be used to augment the services provided in such a summer program, at the option, and under the control of, the Tribe or Indian-controlled school receiving such funds.

(3) The Assistant Secretary of Indian Affairs, acting through the Director of the Office of Indian Education Programs, shall provide technical assistance and coordination for any program described in paragraph (1) and shall to the extent possible, encourage the coordination of such programs with any other summer programs that might benefit Indian youth, regardless of the funding source or administrative entity of any such program.

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99TH CONGRESS
2d Session
HOUSE OF REPRESENTATIVES
REPORT
99-754

JOB TRAINING PARTNERSHIP AMENDMENTS OF 1986

AUGUST 6, 1986.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

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Mr. HAWKINS, from the Committee on Education and Labor, submitted the following

REPORT

together with

ADDITIONAL VIEWS

[To accompany H.R. 5185]

[Including cost estimate of the Congressional Budget Office]

The Committee on Education and Labor, to whom was referred the bill (H.R. 5185) to make certain amendments to the Job Training Partnership Act, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

BACKGROUND AND NEED FOR THE LEGISLATION

Passage of the Job Training Partnership Act (JTPA) in 1982 followed more than eighteen months of legislative deliberation and 20 years of experience with Government employment and training programs. A major change in the operation of these programs resulted under the JTPA. For example, the role of States was greatly expanded, the private sector was made a full and equal partner with local elected officials and mandatory performance standards were applied to all components of the program. To provide stability to the new system and avoid frequent changes in the law, Congress enacted JTPA as a permanent authorization. Since enactment of the new law, Congress has conducted extensive oversight on program implementation and has been reluctant to consider major programmatic changes. One theme which has been heard repeatedly from the field during this oversight has been "Don't tinker with the law too soon or too often."

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After three years of operation, certain amendments have become necessary. These amendments stem from unanticipated problems in the statute and issues which had not fully surfaced at the time of JTPA's enactment. The Committee, therefore, has approved a series of bipartisan amendments designed to clarify or perfect certain portions of the Act. These amendments are not intended to represent a complete revision of JTPA. They do not correct every problem in the Act, nor do they include every change or new provision suggested in the last three years. Rather, these amendments attempt to refine the existing JTPA statute without disrupting basic program operations. Only minor amendments, or those considered absolutely necessary, were incorporated in the Committee's bill.

The compelling reason for amending JTPA is the existing allocation formula under Title II. Under current law, States receive their allotment of Title II funds according to a three part formula. Local service delivery areas receive their portion of the State allotment on the basis of the same formula. However, a hold-harmless provision protects States from yearly fluctuations in funding which could be caused by changes in employment, while no such provision applies to local allocations. The result has been drastic variations in funding for certain service delivery areas, wreaking havoc on the planning process. While this is a complex problem in need of a long-term solution, the Committee amendments would resolve the issue in the interim by applying the same hold-harmless currently in effect for States to local service delivery areas as well.

Another issue which needs clarification is the 6% set-aside for State incentive and technical assistance grants. The Labor Department recently promulgated regulations which prohibit the use of these funds for "preventive" technical assistance and for collection of post-program follow-up data on participants. The Committee amendments would specifically allow the 6% funds to be used for both activities.

Two of the Committee amendments attempt to improve JTPA services to disadvantaged youth. One amendment targets a portion of the education coordination grants funds for literacy training, drop-out prevention and statewide school-to-work transition assistance. The other encourages local areas to incorporate a remedial education component in their summer youth employment and training programs. A comprehensive solution to our severe youth unemployment problem is beyond the scope of this bill; however, these amendments are designed to strengthen and enhance the existing JTPA programs for youth.

Several other significant provisions in the Committee bill address the problems of dislocated farmers—this issue did not emerge as a major issue until early in the 99th Congress.

Although the Committee acknowledges that the program is not perfect in every detail and could be improved, it also recognizes that JTPA holds great promise for the Nation's disadvantaged and dislocated workers. Extensive legislative change before all issues have fully emerged could jeopardize that promise by creating confusion and instability at the State and local levels. This Committee will continue to monitor closely the activities and implementation of JTPA and consider further amendments when necessary.

SUMMARY OF THE MAJOR PROVISIONS

1. *Definition of Economically Disadvantaged* changes the period of time during which family income is considered for eligibility from 6 months to 12 months.

2. *Designation of Service Delivery Area* modifies one factor in providing for SDA self-determination. Currently a consortium of units of general local government with a population of 200,000 or more which serve a substantial portion of a labor market area shall be approved as a SDA. This amendment broadens this exemption so that a consortium which serves a substantial portion of one or more labor market areas can be considered.

3. *Literacy and Dropout Prevention Program* targets a portion of the 8 percent state education set-aside on specific objectives. Currently, 8 percent of the money a state receives is held for joint education-SDA programs. Although the amendment provides no programmatic direction, it requires that 40 percent of the funds that are reserved for joint programs be focused on literacy, dropout prevention or statewide school-to-work transition programs, or any combination thereof. In total, 2.5 percent of the funds received by the State under the basis state grant would be reserved for these purposes.

4. *Sub-state Hold Harmless* mandates a 90 percent substate hold harmless for Titles II–A and B based on the allocation for the preceding program year. This amendment corrects an oversight in the original bill. States already enjoy a 90 percent hold harmless provision. The effective date of this provision is July 1, 1987.

5. *Summer Youth Remediation* permits SDAs to use basic state grant money (Title II–A) and Summer Youth Employment Program (SYEP) money (Title II–B) to provide remediation as part of the summer program. While current law permits the use of these funds for this purpose, this amendment allows SDAs to count the Title II–B funds toward meeting not more than one-fourth of the 40 percent youth requirement under Title II–A.

6. *Use of 6 Percent Funds* allows the incentive grant set-aside to be used for general technical assistance and to fund the implementation of post-program data collection. Currently only those SDAs that have not exceeded their performance standards can receive or participate in technical assistance. This restriction does not allow for "preventative" technical assistance. The amendment permits long-term follow-up to be funded out of the 6 percent set-aside for a period not to exceed five years. The Department of Labor recently promulgated a proposed regulation which would prohibit using the 6 percent funds for either of these activities after October 1, 1986.

7. *Summer Youth Programs* allows Summer Youth Programs to be offered during the "regular vacation time of the student" whether or not it is in the "regular" summer months. This provision addresses the concerns of those schools that are going to the year-round school calendar.

8. *Prohibition of Matching On Discretionary Title III Grants.* Section 8 prohibits the Secretary of Labor from requiring State matching amounts on grants from the Secretary's discretionary funds under Title III, the dislocated worker program.

9. *Identification of Dislocated Workers* adds self-employed and farmers to the definition of dislocated workers under Title III.

10. *Taxation of Job Corps Operations* clarifies that Job Corps Contractors cannot be charged sales or use tax in the operation of a Job Corps Center. This language is merely a clarification of the intent of the law, and has the support of the Department of Labor.

11. *Labor Market Information* requires the Secretary of Labor to develop a means by which statistical data relating to permanent dislocation of farmers and ranchers can be collected and published.

Committee Action

H.R. 5185 was introduced on July 17, 1986, with broad bipartisan Committee support. The bill was considered by the Education and Labor Committee on July 22 and ordered reported by voice vote on July 24, 1986.

The amendments incorporated in this bill were addressed in numerous oversight hearings. During the 99th Congress, the Subcommittee on Employment Opportunities conducted 9 days of oversight hearings and one day of hearings on a legislative proposal to provide for a remedial education component in the summer months. In previous sessions of Congress, the Subcommittee conducted extensive oversight hearings on implementation of the new law.

Explanation of the Legislation

Definition of Economically Disadvantaged

Participation of disadvantaged youth and adults in programs under Title II of JTPA is based on an applicant meeting the statutory definition of "economically disadvantaged." (At least 90 percent of program participants must be economically disadvantaged.) Currently, this definition is based on applicants' income levels as determined by annualizing their previous six months' earnings. For many, this annualization of a six month "look-back" may not accurately reflect their true income for the previous year. This particularly holds true in the case of farmers and self-employed individuals whose eligibility for program participation under the six month review may be jeopardized by seasonal or intermittent income.

In order to address this problem and to clarify the intent of the legislation, the Committee has determined that eligibility should be based on the actual previous year's earnings of an applicant, rather than on an annualized six month figure. The Committee believes that this change will allow for a more accurate reflection of an applicant's true economic circumstances. The Committee recognizes that adoption of this amendment will require a reasonable implementation period to be established by the Department of Labor. Further, the Committee does not intend that this provision apply to individuals already enrolled in Title II programs.

Designation of Service Delivery Areas Based on Labor Market Areas

This amendment is necessary to clarify the original intent of Congress which has been constrained by the narrow interpretation given to Sec. 101(a)(4)(A)(ii) of JTPA.

The Committee believes that this technical change will permit local governments to join together to apply for SDA designation and to serve areas that better conform to needs within the state, rather than to artificial, single labor market boundaries.

Education Set-Aside

Section 123 of the law was drafted originally to assure that local education providers and service delivery areas (SDAs) would work together to provide services to eligible participants. Although in many areas this provision has resulted in creative and innovative programs for disadvantaged youth and adults, as well as for dislocated workers, the general consensus appears to be that these funds are not providing the kinds of programs and activities originally intended under the law.

The Committee amendment attempts to strengthen the education set-aside by targeting funds on three high priority areas, without being overly prescriptive on programmatic details.

First, the Committee is concerned about the increasing rate of illiteracy among youth and adults. Recent estimates are that as many as 60 million people in the United States may be functionally illiterate. These individuals suffer from higher rates of unemployment, low income, loss of self-esteem, and greater public dependency, while corporations encounter the expense of training and poor performance on the job as a result of illiteracy in the workforce. The cost of illiteracy to the U.S. economy has been estimated as high as $224 billion annually. In addition, the Department of Education estimates that 2.3 million people are added each year to the ranks of the functionally illiterate.

The problem of school drop-outs also is a major concern to the Committee. A June 1986 GAO Report, "School Dropouts: The Extent and Nature of the Problem", reported that Current Population Survey data show that in October 1985 there were about 4.3 million dropouts between the ages of 16–24. The overall dropout rate for this age group is approximately 13 to 14 percent. The report adds that job opportunities are poor for youth who have not completed high school and are even worse for black dropouts than for whites.

Finally, the Committee notes the reported success of school-to-work transition programs for disadvantaged youth who do not plan to pursue further education upon graduation from high school. JTPA currently authorizes a school-to-work transition program at the SDA level. It appears though, that this strategy works best when operated on a statewide basis. Such programs are preventative in nature and have created links between the state and the local education agency and SDAs in a coordinated approach to addressing youth unemployment. It is the intent of the Committee that high school students served under these programs will continue to meet the eligibility requirements under the Act.

The Committee therefore directs that a portion of the funds under Section 123 which are used to provide services for eligible participants through cooperative agreements between education service providers and SDAs will be used to provide literacy training, dropout prevention programs and statewide school-to-work

transition programs or any combination thereof. Many activities already operated under this section will meet the requirements of this new provision. Nothing in this language precludes such programs to be similar in format to the programs described in a bill recently considered by the Committee, H.R. 3042, the Dropout Prevention and Reentry Act.

Intrastate Hold Harmless

During oversight hearings on the Job Training Partnership Act, one concern that was raised consistently was the lack of substate hold harmless provision under Title II of the Act. Although the law provides for a 90 percent hold harmless to the states, no similar provision was applied at the substate level.

Witnesses told the subcommittee that, without such a provision, many service delivery areas (SDAs) have suffered funding shifts from year to year which has resulted in program instability. A recent survey conducted by the National Job Training Partnership Inc. showed that approximately 200 SDAs experienced a reduction in funds in excess of 10 percent from program year 1985 to program year 1986.

The Committee is aware of the fact that earlier this year, the Department of Labor contracted with Abt Associates to study the existing formula factors. The report is due to be completed in the fall. Until such data are available, the Committee does not believe that the basic formula should be altered. The Committee needs an opportunity to fully examine the Abt Associates report. Therefore, the Committee believes that an interim solution to this problem is the provision of a 90 percent substate hold harmless based on the allocation for the preceding program year. By this action, the Committee does not intend to preclude further consideration of the formula at a later date. The Committee's amendment will take effect July 1, 1987.

The Committee wishes to emphasize that the substate hold harmless provision shall to applied to all SDAs within a State. Further, it is the Committees' intent that in the case of single statewide SDA States, the only hold harmless provision which is applicable is the State hold harmless provision under section 201(b)(2)(B) of Job Training Partnership Act.

Remedial Education Component

The Committee is proposing an amendment to the Summer Youth Employment Program that would achieve two goals. First, many SDAs are not meeting the Act's requirement that at least 40 percent of Title II–A funds be spent on services to youth. This amendment would help those SDAs meet that requirement. Second, recent research has demonstrated that many disadvantaged youth experience academic decay over the summer months and this amendment is designed to encourage SDAs to incorporate remediation for disadvantaged youth into their summer programs.

A recent report by the National Committee for Full Employment indicates that nearly one-fourth of all teenagers face at least one significant barrier to employment and self-sufficiency. Thus, more than 4 million poor youth are at-risk of becoming the adult poor of

the 1990's and the dependent poor of the 21st century. The report recommends one way to prevent this outcome for poor youth is greater emphasis on basic skills training in school and under JTPA.

Although remediation as part of the summer program is currently allowable under the law, H.R. 5185 emphasizes this activity by specifically providing the authority for SDAs to offer remediation as part of their summer program. To encourage SDAs to provide such remediation, H.R. 5185 permits funds under the basic grant Title II-A to be used to provide such services, as long as the SDA can demonstrate in its plan that such services, facilities or equipment will be available to participants throughout the program year. The bill further provides that summer funds under Title II-B that are used to provide such remediation services, can be counted toward not more than one-fourth of the requirement that SDAs must spend 40 percent of its funds on services to youth.

The Committee intends not to diminish but to supplement the service or funds available to youth under JTPA. Instead, the Committee hopes these provisions will ultimately provide greater services to youth, both in the Summer Youth Employment Progam and in the regular youth programs under Title II-A. SDAs are reminded that this provision does not eliminate the maintenance of effort provisions in the law. Use of this provision to reduce the portion of funds currently dedicated to youth services or to reduce the types of services provided under the 40 percent requirement would clearly violate not only the intent of the law, but also its spirit. The Committee expects that only those SDAs which continue to encounter difficulty in meeting the 40 percent requirement will utilize this incentive, and that it will not be used on a regular basis, but only as necessary. SDAs must describe in their local plan their intention to count such Title II-B funds (Summer Youth Employment Program) against their 40 percent requirement. In approving the use of funds in this manner, local elected officials, PICs, and the SJTCC are expected to exercise prudent judgment in terms of the overall effect on the programs provided and the level of funding for youth programs.

Additionally, the Committee believes that it is permissible to use funds from other sources such as Section 123 under JTPA, vocational education, and private industry, to support the remediation component under the Summer Youth Employment Program. The Committee encourages SDAs to work closely with local education providers including CBOs of demonstrated performance to provide a remediation component under the Summer Youth Employment Program, and to recognize the potential long-term cost savings if participants under this program remain in school through high school graduation.

Six Percent Set-Aside

The Committee believes it necessary to clarify allowable uses of the six percent set-aside, particularly with regard to post-program data collection and technical assistance. The Committee supports the Department of Labor's new post-program data collection plans, which will provide the national data necessary to implement

longer-term performance standards as originally envisioned in the Act. The Committee also recognizes that valid and reliable data collection systems are needed to make incentive and sanction decisions in the future. It is the Committee's intent to allow states and service delivery areas (SDAs) flexibility in developing and implementing such systems. Use of the six percent incentive grant funds for not more than five years should allow development of either centralized data collection systems administered by the state or decentralized SDA data collection systems.

Further, the Committee intends that on-going technical assistance be provided to all service delivery areas for the improvement of programs, not just to those SDAs failing to exceed performance standard at the end of a program year. The Committee believes that technical assistance may be needed in a variety of areas to improve performance and to help meet program requirements. It is not our intent to limit technical assistance to specific programmatic areas. However, the Committee suggests that states develop a plan of action in conjunction with their SDAs to meet identified needs when such assistance is to be provided.

Finally, the Committee would like to clarify that it does not believe six percent incentive grant funds should be used for the ongoing maintenance of management information systems.

The Committee also wishes to clarify how single state-wide SDA states may use the six percent funds. The administrative structure of single service delivery area states gives them unique flexibility in developing policies regarding the use of six percent funds, either as incentive awards or for technical assistance. When funds are used as incentive awards they may be used as awards to subcontractors, to enhance existing programs, or to develop new programs. Funds used for technical assistance may be used to improve program performance in general within the state or to help in meeting program requirements such as the requirement to expend forty percent of funds on youth. In addition, Governors in single SDA states should have maximum flexibility in specifying sanction policies for failure to meet performance standards.

Availability of Summer Youth Programs During Nonsummer Months

A number of educational agencies have adopted or are considering adopting year-round school schedules. For example, the Los Angeles Unified School District has adopted a year-round school schedule slated to go into effect for the 87–88 school year. With the adoption of a year-round school calendar, the vacation periods could occur during any season.

Because many of these youth affected by the year round schedule often participate in the summer youth program under the authority of the Job Training Partnership Act, the Committee believes that clarification of the months during which the summer youth employment program can be operated is warranted.

The Committee amendment provides that SDAs may offer the programs under Title II–B (the summer youth employment and training programs) to participants during a vacation period treated

as the equivalent of a summer vacation if the local education agency operates on a year-round calender.

In response to a recent letter from the Director of Employment Development Department in Sacramento, the Department of Labor issued an interpretation which addressed the California situation by permitting the Governor to define "summer months" as either the traditional summer months or as a vacation period equivalent to the traditional summer months.

It is the Committee's intent to expand this interpretation response to other entities which choose to operate under a year-round school calendar.

Prohibition of Matching Grants From Secretary's Discretionary Fund Under Title III

The Committee believes that this provision conforms to the original intent of JTPA. The report of the House Education and Labor Committee accompanying the original House bill, H.R. 5320 (H. Rept. 97-537, p. 28) states: "These funds [Secretary's discretionary funds under Title III] are available through application with no match required." The Senate bill had no set-aside for the Secretary under Title III. The JTPA conference report (H. Rept. 97-899, p. 136) made clear that the Senate receded to the House on this issue. Thus, the only relevant legislative history regarding the matching requirement for the 25% Secretary's set-aside was in the House Committee report on the bill that passed the House. This amendment is necessary since, in 1985, the Secretary decided to require a two-for-one match as part of the application process for dislocated worker discretionary funds for laid-off copper and steel workers under Title III of the Job Training Partnership Act.

AMENDMENTS RELATING TO DISLOCATED FARMERS

In response to the economic crisis affecting many of our Nation's farmers, the Committee has incorporated a number of changes into the Job Training Partnership Act. These changes are intended to encourage delivery of employment and training services to farmers who are being forced to leave farming due to severe economic conditions, and to improve existing data collection methods to more accurately account for this population.

When JPTA was enacted in 1982, the farm crisis had not risen to the proportion that it has today. Therefore, the problem was not specifically addressed in the statute. Since that time, many concerns have been expressed over the possible exclusion of dislocated farmers from JTPA programs.

In 1985, the Department of Labor issued a memorandum which informed Governors that it was not inconsistent with the law to consider dislocated farmers as dislocated workers for the purposes of eligibility under Title III of the Act. The Department of Labor should be commended for this interpretation. Further, under the Secretary's Title III Discretionary Funds, the Department of Labor has awarded a significant amount of money to States for dislocated farmer employment and training programs. However, many States and service delivery areas, particularly those with high concentra-

tions of distressed farmers, continue to experience difficulties in identifying and serving this population.

In order to adequately identify those farmers and ranchers who would qualify for assistance under JTPA, the Committee's bill amends Title IV of JTPA, the Cooperative Labor Market Information Program, to require the Secretary of Labor to develop a means by which statistical data relating to permanent dislocation of farmers and ranchers can be collected. The amendment directs the Department to collect such data. While the Committee does not specify what information should be gathered in the statutory language, Committee Members encourage that this information include: the number of farm and ranch failures; the number of farmers and ranchers dislocated, including farm spouses dislocated; the location of the affected farms and ranches; the types of farms and ranches involved; and if available, the causes for such failures. The Secretary is directed to publish a report based upon these data. The report should include a comparison of these findings with data currently used by the Bureau of Labor Statistics to determine the Nation's annual employment and unemployment rates and an assessment of whether or not farmers and ranchers are being adequately accounted for in such employment statistics. This amendment is intended to identify formally, for the first time at the Federal level, those farmers and ranchers who are being forced out of farming and who will be in need of transitional assistance. Further, it addresses the concern that rural underrepresentation is occuring in current unemployment statistics, affecting the funding allocation under a number of critical Federal assistance programs, including JTPA.

To address the problems associated with determining eligibility for displaced farmers and self-employed individuals under Title III, the Committee bill also includes an amendment to clarify that self-employed individuals, including farmers, shall be determined as eligible for participation under the Dislocated Worker Program if they are or will become unemployed due to general economic conditions in the community or because of natural disasters. The bill directs the Secretary of Labor to establish categories of self-employed individuals and of economic conditions and natural disasters to which this new clause shall apply.

Through this amendment, the Committee hopes to encourage delivery of services to dislocated farmers, as well as self-employed individuals, who have previously been underserved. This language should in no way be interpreted as being more restrictive than that already provided for under current law.

The Committee decided that this definition expansion should not be overly prescriptive in order to provide States necessary flexibility. However, the Committee does encourage those States with significant numbers of dislocated farmers to develop definitions which recognize farmers in the process of going out of business as eligible under Title III, as long as they can demonstrate that they intend to leave farming.

The Committee notes that certain States, such as Wisconsin, Minnesota, and Iowa, have already established flexible definitions for identifying "dislocated farmers" for program eligibility. While varying somewhat from State to State, under such definitions, a

displaced farmer may be determined eligible to participate in Title III employment and training programs if it can be certified that the farm operation will terminate because of circumstances which may include one or more of the following events: (1) the issuance of notice of foreclosure or intent to foreclose; (2) the failure of the farm to return a profit during the preceding 12 months; (3) the entry of the farmer into bankruptcy proceedings; (4) the failure or inability of the farmer to obtain capital necessary to continue operations; (5) the failure or inability of the farmer to make payments on loans secured by the farm premises; or (6) the farmer's total debts exceed 70 percent of total farm assets. The Committee recognizes that these criteria on which States may base eligibility determinations are not all-inclusive, however they do provide an effective means by which to provide vital transitional assistance to farmers *in the process* of leaving farming in search of alternative employment. Therefore the Committee encourages the consideration of such or similar criteria when determining eligibility for dislocated farmers under Title III programs.

Finally, while making no formal changes in the statute, the Committee encourages the Department of Labor and the National Commission For Employment Policy to continue to study and evaluate Job Training Partnership Act's effectiveness in rural America, and to respond to the Committee within one year.

Prohibition on Taxation of Job Corps Operations

The bill contains an amendment clarifying section 437(c) of JTPA.

The intent of Congress in amending section 437(c) is to ensure that all Job Corps activities and transactions authorized under Part B of Title IV of JTPA which are carried out pursuant to contracts with the Secretary by either for-profit or non-profit Job Corps contractors are exempted from all State gross receipts, excise, sales, use, business privilege, or similar taxes (such as occupational taxes) measured by gross receipts.

Section 437(c) as originally enacted provided:

> Transactions conducted by private for-profit contractors for Job Corps centers which they are operating on behalf of the Secretary shall not be considered as generating gross receipts.

Despite the existing statutory provision and implementing regulations, several States have levied use taxes and other taxes on Job Corps contractor transactions. In order to assure that there can be no mistake concerning the legislative intent, the revised section 437(c) specifically names several common forms of taxes of the species of gross receipts taxes which are meant to be prohibited by this provision with respect to Job Corps operations.

In this connection, the Committee recently received a letter from Peter Rell, Director of the Job Corps, Department of Labor, which states,

> . . . We are concerned that further imposition of taxes by States, despite the Congressional intent to exempt Job Corps contractors and transactions, will further drain ap-

propriated funds to decrease the number of youth that can be served at any given appropriation level. The perfecting amendment proposed would elevate, essentially intact, the Department's regulation implementing Section 437(c) of JTPA. This seems fully consistent with Congressional intent and the department's implementing regulations and would have the effect of clarifying the existing language to ensure that funds appropriated are fully available for serving disadvantaged youth. As a result, we have no objection to such an amendment.

Other Issues

Secretary's Role in Ensuring Compliance Under the Act

No later than 60 days prior to the beginning of the development of the job training plan for FY 1987 and subsequent program years, the Secretary shall develop a procedure to ensure that all local elected officials and members of the PICs are informed of their rights pursuant to section 103 of the Act rearding their roles, staffing and the development of the local job training plan. As emphasized in the JTPA conference report (H. Rept. 97-889, p. 97), the State has no ". . . authority to review discretion with regard to policy-making at the local program level, provided it is exercised in accordance with the provisions of this Act." The Secretary shall also ensure that ". . . such policy-making responsibility is properly housed at the local level, under the control of the local partnership between chief elected officials and the private sector."

The Committee encourages the Secretary to develop a procedure to ensure compliance with section 203(b) (1) and (2) of this Act for both States and service delivery areas.

Native American Programs

Section 401(e) of JTPA directs the Department of Labor to administer Indian and Native American programs with an office staffed by, ". . . personnel having particular competence in this field." House report 97-537 accompanying H.R. 5320 states that, "The Committee bill insures the continuation of Indian and Native American programs as national programs, centrally administered by a special unit within DOL's national office." This language presumed that programs administered by this office would be staffed by persons with experience in the delivery of employment and training services at the Indian community level. It is the opinion of the Committee that the Department has not taken sufficient steps to insure that staff either in the Division of Indian and Native American programs or in other offices within ETA that have significant responsibilities for the selection and monitoring of Indian grantees have such experience.

Therefore, the Committee directs the Secretary to insure that a substantial proportion of the staff responsible for each of the functions specified in 401(e) have experience in the delivery of employment and training or related human resource development services at the Indian or Native American community level. The Committee further directs the Secretary to provide information on the steps

taken to implement this provision of law within 90 days of the date of enactment of these amendments.

Placement

Concern was expressed during the full Committee consideration of these amendments that existing employment services were not fully utilized in placing JTPA terminees. Section 141(h) of the law requires that, "Funds provided under this act shall not be used to duplicate facilities or services available in the area. . ." Therefore, the Committee encourages administrative entities, wherever possible, to utilize the existing placement services of state and local government employment service offices rather than hire job developers through their own offices.

COST ESTIMATE

The Congressional Budget Office (CBO) has provided the following estimate of the costs which will be involved in implementing this legislation. With respect to the estimate required by clause 7 of Rule XIII of the Rules of the House of Representatives, the Committee accepts the CBO estimate. No cost estimates have been received from any other Federal department or agency. The Congressional Budget Office letter follows:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, July 31, 1986.

Hon. AUGUSTUS F. HAWKINS,
Chairman, Committee on Education and Labor,
U.S. House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has reviewed H.R. 5185, the Job Training Partnership Act Amendments of 1986, as ordered reported by the Committee on Education and Labor on July 24, 1986.

The bill would amend the Job Training Partnership Act (JTPA) to change eligibility criteria for training and to allow states to make changes in the allocation of some funds. The bill would change the definition of economically disadvantaged to include only those persons whose family income for the past twelve months was below the poverty level. Under current law, persons with family incomes below the poverty level for the past six months are eligible for training under JTPA. The bill would allow the Secretary of Labor to establish eligibility categories in the dislocated worker program for self-employed workers (including farmers) who are unemployed because of economic conditions and natural disasters.

H.R. 5185 allows states to shift title II-A funds to the Summer Youth program to provide remedial education programs to youth during the school year and allows states to use incentive grant funds to gather data on post-program experience. States would be required to spend 40 percent of the state education set aside on literacy and dropout prevention. A 90 percent intrastate hold harmless provision would take effect July 1, 1987. The bill prohibits the requirement of a state match for the Secretary's discretionary

funds under Title III and prohibits the taxation of Job Corps operations.

Since the provisions mentioned above would change the way existing funds are allocated but would not affect the overall funding level, there would be no federal cost to these provisions.

In addition, H.R. 5185 requires the Secretary of Labor to collect data on the permanent dislocation of workers due to farm and ranch failures and publish an annual report based on this data. Currently the Department of Labor (DOL) collects information and maintains data bases on a number of occupation and employment related subjects. For unemployed and dislocated worker information, DOL maintains a data base comprised of unemployment insurance administrative records. Farmers, however, are not well represented in this survey since only farmers with 10 or more employees must file such records. Gathering information on farmers would involve designing and developing a new sampling frame that would include a sufficient number of small farms to provide reliable employment information on farmers as a whole. According to DOL this would be a major project. If an alternative method for collecting information on farmers using data currently available is found, the cost of the project would be small. But if no alternatives are found, developing and maintaining a sampling frame could cost up to an estimated $10 million annually.

The bill does not affect state budgets as a whole. Since the bill would shift funds within states, local government spending could be affected. Currently 11 states allow the taxation of Job Corps operations. If taxation were prohibited more funds would be available for Job Corps operations but the revenue to state governments would decline by the same amount and state budgets as a whole would be unaffected.

With best wishes,

Sincerely,

RUDOLPH G. PENNER, *Director.*

INFLATIONARY IMPACT STATEMENT

Pursuant to clause 2(l)(4) of rule XI of the Rules of the House of Representatives and after reviewing the Congressional Budget Office cost estimate, the Committee expects that this legislation will not have any significant inflationary impact.

OVERSIGHT FINDINGS

With reference to clause 2(l)(3)(D) of rule XI of the Rules of the House of Representatives, the Committee reports that no findings or recommendations of the Committee on Government Operations were received during the 99th Congress with reference to the subject matter addressed in H.R. 5185. However, the Subcommittee on Employment and Housing under the Committee on Government Operations conducted an oversight hearing on the question of the applicability of the Job Training Partnership Act to farmers in November, 1985, in Iowa.

The oversight findings of the Committee on Education and Labor are described in the sections at the beginning of this report under

the headings "Background and Need for the Legislation" and "Committee Action."

JOB TRAINING PARTNERSHIP ACT AMENDMENTS OF 1986 (H.R. 5185)

SECTION-BY-SECTION SUMMARY

Section 1 would establish the short title of the bill and provide that references to "the Act" refer to the Job Training Partnership Act (JTPA).

Section 2 would amend section 4(8)(B) of JTPA so that an individual's income for the previous 12 months, rather than 6 months, would be examined in determining whether the individual is economically disadvantaged.

Section 3 would amend section 101(a)(4)(ii) of JTPA to broaden the circumstances in which a consortium of local governments may request designation as a service delivery area (SDA). Current law allows designation of such consortiums, with aggregate populations of at least 200,000 if they serve a substantial part of a labor market area. The amendment would allow designation if the consortium served a substantial part of one or more labor market areas.

Section 4 would add new activities in the areas of literacy training, dropout prevention, and school-to-work transition assistance to section 123 of the Act. Current law sets aside 8 percent of Title II-A funds for statewide education activities, of which 20 percent is used for coordination agreements and 80 percent is used for the Federal share of actual service to disadvantaged individuals. The amendment would require States to use 40 percent of the funds that are reserved for joint programs for literacy training for youth and adults, dropout prevention and reenrollment services to youth, a Statewide school-to-work transition program, or any combination of these activities.

Section 5 would amend the allocation formula for Title II-A and II-B, under section 202(a) of JTPA, by adding a hold-harmless provision for substate allocations. The amendment would require that no SDA could receive less than 90 percent of the relative percentage of funds it received in the previous year.

Section 6 would add a new provision to section 203(b)(2) of JTPA, allowing SDAs to use funds under Title II-A to support a remedial education component in the summer youth employment and training program, authorized under Title II-B. Current law already allows SDAs to use Title II-B funds used for remedial education toward the requirement that at least 40 percent of Title II-A funds be spent on youth.

Section 7 would amend section 202(b)(3)(B) to make all SDAs eligible for State technical assistance grants, at the Governor's discretion. Current law restricts these grants only to SDAs which do not exceed their performance standards. The amendment also would allow funds, set aside for technical assistance and incentive grants, to be used for postprogram data collection during a period of no more than five program years.

Section 8 would amend section 253(a) of JTPA to allow SDAs located in school districts operating year-round programs, to operate

the summer youth employment and training program during vacation periods considered the equivalent of a summer vacation.

Section 9 would amend section 301(c) of JTPA to prohibit the Secretary of Labor from requiring State matching amounts on grants from the Secretary's discretionary funds under the Title III dislocated workers program.

Section 10 would amend section 302(a) of JTPA to add individuals who had been self-employed, including farmers, to the definition of dislocated workers if they became unemployed due to general economic conditions in their community or natural disasters, as determined by the Secretary of Labor.

Section 11 would amend section 437(a) of JTPA to prohibit taxation of Job Corps operations.

Section 12 would amend section 462 of JTPA to require the Secretary of Labor to consider rural and urban factors in developing a statistical measure of labor market related economic hardship. Further, the amendment would require the Secretary to develop a method for collecting statistical data on the permanent dislocation of farmers and ranchers, and to publish an annual report on such data.

Changes in Existing Law Made by the Bill, as Reported

In compliance with clause 3 of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

Job Training Partnership Act

* * * * * * *

DEFINITIONS

SEC. 4. For the purposes of this Act, the following definitions apply:

(1) * * *

* * * * * * *

(8) The term "economically disadvantaged" means an individual who (A) receives, or is a member of a family which receives, cash welfare payments under a Federal, State, or local welfare program; (B) has, or is a member of a family which has, received a total family income for the [six month] *12-month* period prior to application for the program involved (exclusive of unemployment compensation, child support payments, and welfare payments) which, in relation to family size, was not in excess of the higher of (i) the poverty level determined in accordance with criteria established by the Director of the Office of Management and Budget, or (ii) 70 percent of the lower living standard income level; (C) is receiving food stamps pursuant to the Food Stamp Act of 1977; (D) is a foster child on behalf of whom State or local government payments are made; or (E) in cases permitted by regulations of the Secretary, is an adult handicapped individual whose own income

meets the requirements of clause (A) or (B), but who is a member of a family whose income does not meet such requirements.

* * * * * * *

TITLE I—JOB TRAINING PARTNERSHIP

PART A—SERVICE DELIVERY SYSTEM

ESTABLISHMENT OF SERVICE DELIVERY AREAS

SEC. 101. (a)(1) * * *

* * * * * * *

(4)(A) The Governor shall approve any request to be a service delivery area from—

(i) any unit of general local government with a population of 200,000 or more;

(ii) any consortium of contiguous units of general local government with an aggregate population of 200,000 or more which serves as a substantial part of [a labor market area;] and *one or more labor market areas;* and

* * * * * * *

PART B—ADDITIONAL STATE RESPONSIBILITIES

* * * * * * *

STATE EDUCATION COORDINATION AND GRANTS

SEC. 123. (a) The sums available for this section pursuant to section 202(b)(1) shall be used by the Governor to provide financial assistance to any State education agency responsible for education and training—

(1) to provide services for eligible participants through cooperative agreements between such State education agency or agencies, administrative entities in service delivery areas in the State, and (where appropriate) local educational agencies; [and]

(2) to facilitate coordination of education and training services for eligible participants through such cooperative agreements[.]*; and*

(3) to provide—

(A) literacy training to youth and adults;

(B) dropout prevention and reenrollment services to youth, giving priority to youth who are at risk of becoming dropouts;

(C) a State-wide school-to-work transition program operated in a manner consistent with section 205(e); or

(D) any combination of the activities described in subparagraphs (A), (B), and (C) of this paragraph.

* * * * * * *

(c)(1) * * *

(2)(A) Not more than 20 percent of the funds available under this section may be spent for activities described in clause (2) of subsection (a).

(B) [At least 80 percent of the funds available under this section shall be used for clause (1) of subsection (a) for the Federal share of the cost of carrying out activities described in clause (1).] *At least 80 percent of the funds available under this section shall be used for clauses (1) and (3) of subsection (a) for the Federal share of the cost of carrying out activities described in such clauses, and at least 40 percent of the funds available under this section shall be used for clause (3) for the Federal share of the cost of carrying out activities described in such clause.* For the purpose of this subparagraph, the Federal share shall be the amount provided for in the cooperative agreements in subsection (b).

(3) Not less than 75 percent of the funds available for activities under [clause (1)] *clauses (1) and (3)* of subsection (a) shall be expended for activities for economically disadvantaged individuals.

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TITLE II—TRAINING SERVICES FOR THE DISADVANTAGED

PART A—ADULT AND YOUTH PROGRAMS

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WITHIN STATE ALLOCATION

SEC. 202. (a)(1) * * *

(2) [Of] *Subject to the provisions of paragraph (3), of* the amount allocated under this subsection—

(A) 33⅓ percent shall be allocated on the basis of the relative number of unemployed individuals residing in areas of substantial unemployment in each service delivery area as compared to the total excess number of such unemployed individuals in all such areas of substantial unemployment in the State;

(B) 33⅓ percent shall be allocated on the basis of the relative excess number of unemployed individuals who reside in each service delivery area as compared to the total excess number of unemployed individuals in all service delivery areas in the State;

(C) 33⅓ percent shall be allocated on the basis of the relative number of economically disadvantaged individuals within each service delivery area compared to the total number of economically disadvantaged individuals in the State, except that the allocation for any service delivery area described in section 101(a)(4)(A)(iii) shall be based on the higher of the number of adults in families with an income below the low-income level in such area or the number of economically disadvantaged individuals in such area.

(3) For fiscal years beginning after September 30, 1986, no service delivery area within any State shall be allocated an amount equal to less than 90 percent of its allocation percentage for the fiscal year preceding the fiscal year for which the

determination is made. The allocation percentage for a service delivery area is the percentage which the service delivery area received of the total amount allocated pursuant to this subsection to all service delivery areas in all the States for such preceding fiscal year. If the amounts appropriated pursuant to section 3(a) and (b) are not sufficient to provide an amount equal to at least 90 percent of such allocation percentages to each such area, the amounts allocated to each area shall be ratably reduced.

[(3)] *(4)* For the purpose of this section—

(A) the term "excess number" means the number which represents the number of unemployed individuals in excess of 4.5 percent of the civilian labor force in the service delivery area or the number which represents the number of unemployed individuals in excess of 4.5 percent of the civilian labor force in areas of substantial unemployment in such service delivery area; and

(B) the term "economically disadvantaged" means an individual who has, or is a member of a family which has, received a total family income (exclusive of unemployment compensation, child support payments, and welfare payments) which, in relation to family size, was not in excess of the higher of (i) the poverty level determined in accordance with criteria established by the Director of the Office of Management and Budget, or (ii) 70 percent of the lower living standard income level.

(b)(1) * * *

* * * * * * *

(3)(A) Six percent of such allotment of each State for each fiscal year shall be available to carry out subparagraph (B) of this paragraph.

(B) The amount reserved under subparagraph (A) of this paragraph shall be used by the Governor to provide incentive grants for programs exceeding performance standards, including incentives for serving hard-to-serve individuals. The incentive grants made under this subparagraph shall be distributed among service delivery areas within the State exceeding their performance standards in an equitable proportion based on the degree by which the service delivery areas exceed their performance standards. If the full amount reserved under subparagraph (A) of this paragraph is not needed to make incentive grants under this subparagraph, the Governor shall use the amount not so needed for technical assistance to service delivery areas in the State [which do not qualify for incentive grants under this subparagraph.] *Funds available under this subparagraph may, without regard to section 108(a), be used by the Governor or a service delivery area during not more than five program years to develop and implement a data collection system to track the postprogram experience of participants under this part.*

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ELIGIBILITY FOR SERVICES

SEC. 203. (a) * * *

(b)(1) * * *

(2) *(A)* To the extent that the ratio of economically disadvantaged youth to economically disadvantaged adults in the service delivery area differs from the ratio of such individuals nationally (as published by the Secretary), the amount which shall be required to be expended for services for youth under paragraph (1) shall be reduced or increased proportionately in accordance with regulations prescribed by the Secretary.

(B) A service delivery area may use funds provided under this part to provide or support remedial education under part B of this title during the interval between participants' regular school years, if the service delivery area sets forth in its plan a description of the methods by which the services, facilities, or equipment provided or supported will be available for use by participants under this part and part B throughout the program year. Any funds made available under part B of this title that are used to provide or support such remedial education may be counted toward not more than one-fourth of the amount required (by paragraph (1)) to be expended under this part to provide authorized services to eligible youth.

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PART B—SUMMER YOUTH EMPLOYMENT AND TRAINING PROGRAMS

AUTHORIZATION OF APPROPRIATIONS; ALLOTMENT AND ALLOCATION

SEC. 251. (a) * * *

(b) The remainder of sums appropriated pursuant to section 3(b) shall be allotted among States in accordance with section 201(b) and allocated among service delivery areas within States in accordance with section 202(a)(2) [and (3),] *, (3), and (4).*

* * * * * * *

LIMITATIONS

SEC. 253. (a) Programs under this part shall be conducted during the summer months, *except that a service delivery area may, within the jurisdiction of any local educational agency that operates its schools on a year-round, full-time basis, offer the programs under this part to participants during a vacation period treated as the equivalent of a summer vacation.*

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TITLE III—EMPLOYMENT AND TRAINING ASSISTANCE FOR DISLOCATED WORKERS

ALLOCATION OF FUNDS

SEC. 301. (a) * * *

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(c) The Secretary shall make available the sums reserved under subsection (a) for the purpose of providing training, retraining, job search assistance, placement, relocation assistance, and other aid (including any activity authorized by section 303) to individuals

who are affected by mass layoffs, natural disasters, Federal Government actions (such as relocations of Federal facilities), or who reside in areas of high unemployment or designated enterprise zones. In order to qualify for assistance from funds reserved by the Secretary under subsection (a), a State shall, in accordance with regulations promulgated by the Secretary establishing criteria for awarding assistance from such funds, submit an application identifying the need for such assistance and the types of, and projected results expected from, activities to be conducted with such funds. *Such criteria shall not include any requirement that, in order to receive assistance under this subsection, the State shall provide a matching amount with funds available from one or more other sources.*

* * * * * * *

IDENTIFICATION OF DISLOCATED WORKERS

SEC. 302. (a) Each State is authorized to establish procedures to identify substantial groups of eligible individuals who—

(1) * * *

(2) have been terminated, or who have received a notice of termination of employment, as a result of any permanent closure of a plant or facility; **[**or**]**

(3) are long-term unemployed and have limited opportunities for employment or reemployment in the same or a similar occupation in the area in which such individuals reside, including any older individuals who may have substantial barriers to employment by reason of age**[**.**]**; *or*

(4) were self-employed (including farmers) and are unemployed as a result of general economic conditions in the community in which they reside or because of natural disaster, subject to the next sentence.

The Secretary shall establish categories of self-employed individuals and of economic conditions and natural disasters to which clause (4) of the preceding sentence applies.

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TITLE IV—FEDERALLY ADMINISTERED PROGRAMS

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PART B—JOB CORPS

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SPECIAL PROVISIONS

SEC. 437. (a) * * *

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[(c) Transactions conducted by private for-profit contractors for Job Corps centers which they are operating on behalf of the Secretary shall not be considered as generating gross receipts.**]**

(c) Transactions conducted by a private for-profit contractor or a nonprofit contractor in connection with the contractor's operation of

a Job Corps Center, program, or activity shall not be considered as generating gross receipts. Such contractors shall not be liable, directly or indirectly, to any State or subdivision thereof (nor to any person acting on behalf thereof) for any gross receipts taxes, business privilege taxes measured by gross receipts, or any similar taxes imposed on, or measured by, gross receipts in connection with any payments made to or by such contractor for operating a Job Corps Center, program, or activity. Such contractors shall not be liable to any State or subdivision thereof to collect or pay any sales, excise, use, or similar tax imposed upon the sale to or use by such contractors of any property, service, or other item in connection with the operation of a Job Corps Center, program, or activity.

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PART E—LABOR MARKET INFORMATION

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COOPERATIVE LABOR MARKET INFORMATION PROGRAM

SEC. 462. (a) * * *

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(d)(1) The Secretary is authorized to develop data for an annual statistical measure of labor market related economic hardship in the Nation, *taking into account both urban and rural areas.* Among the factors to be considered in developing such a measure are unemployment, labor force participation, involuntary part-time employment, and full-time employment at wages less than the poverty level.

* * * * * * *

(f)(1) The Secretary shall develop a means by which statistical data relating to permanent dislocation of farmers and ranchers due to farm and ranch failures can be collected and shall collect such data.

(2) The Secretary shall publish a report based upon such data as soon as practicable after the end of each calendar year. Such report shall include a comparison of data contained therein with data currently used by the Bureau of Labor Statistics in determining the Nation's annual employment and unemployment rates and an analysis of whether farmers and ranchers are being adequately counted in such employment statistics.

* * * * * * *

ADDITIONAL VIEWS OF MR. FAWELL TO H.R. 5185

During committee markup of H.R. 5185, Mr. Henry offered an amendment on behalf of Mr. Bruce and myself which would allow the Secretary of Labor to authorize the use of Title IV, Part D funds to establish pilot programs that help retrain current employees so they may meet the technological changes of the job market.

This amendment is identical to a provision included in the Senate's JTPA Amendments bill, S. 2069. The amendment requires no new funds. It merely allows the Secretary to use already appropriated monies for additional experimental and development demonstration projects for training individuals threatened with job loss due to technological changes, international economic policies, or general economic conditions.

Many manufacturers today are trying to keep a strong production and employment base in the United States. To do so, they must make major investments in high technology. Companies pursuing this path face high costs associated with retraining current employees to meet these technological changes.

Most current federal and state training programs focus on dislocated workers. Although there exists a strong need to maintain a focus on dislocated workers, attention must also be given to retraining workers who must upgrade their job skills to guarantee continued employment in the high-tech era. Under JTPA, however, the currently employed are basically excluded from participating in job training.

Mr. Henry withdrew the amendment during committee markup after receiving assurances from the Chairman that he has no opposition to the amendment and would not oppose it in conference. It is my hope the House conferees will make every effort, based on the Chairman's assurances, to include this Senate provision in the final conference report.

HARRIS W. FAWELL.